



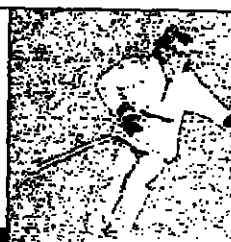
THE INDEPENDENT

2901



**Terry Yorath:
Beirut's
Mr Soccer**

Sport Section, page 10



**Free Ski
plus ski
to be won**

See page 10 for token



**The computer
game from the
spooks at the CIA**

Network pull-out: Section Two page 7

MONDAY 5 FEBRUARY 1996 40p (IR 45p)

Government orders rail fraud inquiry

Allegations threaten privatisation plans

CHRISTIAN WOLMAR
Transport Correspondent

The Government yesterday ordered rail operators to conduct an urgent fraud inquiry after the first day of privately run passenger services was overshadowed by allegations of ticketing irregularities.

The investigation into ticket fraud allegations which stopped the sale of one of the three first lines - between London Tilbury and Southend - now threatens to disrupt the timetable for the entire privatisation programme.

The Government's celebrations in seeing private operators take over two lines, South West Trains and Great Western, were muted in the face of the delay to the sale of the LTS line which has led to reassessment of procedures.

Sir George Young, the Secretary of State for Transport, said that "procedures were robust" because the fraud appears to have been quickly uncovered. However, he has asked the Association of Train Operating Companies to re-examine their procedures and "see whether there are lessons to be learned".

Any fundamental problems with the privatisation process uncovered by these inquiries is bound to lead to further hold-ups in the Government's controversial and much-delayed franchising programme, which is designed to put rail services into private hands for the first time since 1948.

Investigations into the ticketing fraud are also being carried out by both British Rail and the rail regulator, John Swift QC. Labour last night demanded a police inquiry into the allegations.

Already, Colin Andrews, the joint commercial director of both LTS rail, the BR subsidiary and of its successor Enterprise Rail which had taken over the LTS line, has resigned and industry sources suggest that other heads may fall. The alleged fraud, estimated at £45,000, involved taking combined rail and Tube Travelcard tickets issued at Fenchurch Street to be sold at another station, Upminster, because LTS gets a higher proportion of the revenue from tickets at Fenchurch Street.



church Street.

About half the 25 train operating companies share revenue for some ticket sales with London Transport and the investigations will consider whether other train-operating companies have failed to give London Underground its proper share of revenue.

Allocation of revenue between the operating companies is carried out by the ATOC

and is a highly complex operation which is so far untested because all the companies were, until yesterday, owned by BR.

Brian Wilson, Labour's transport spokesman, welcomed the investigations but said the police should be called in: "There was a clear victim for this alleged fraud and it was London Underground. The police must examine the books to see whether criminal offences were involved."

Any hint of fraud at other franchises will be highly embarrassing to ministers who only last week asked Roger Salmon, the franchising director, to speed up the pace of rail privatisation to have all the franchises in the private sector by next spring, the likeliest time for a general election.

Sir George refused to say whether the franchising process for the LTS line would be reopened, but it is clear that there will now be serious doubts over the future of the management buy-out team.

The other two lines to be sold off operated with few hitches, although Great Western's headquarters, Swindon, was virtually cut off by scheduled engineering works for most of the day and passengers had to use buses.

Stagecoach, Britain's biggest bus company, which took over South West Trains, promised to bring in new feeder bus services to two stations, Winchester and Liphook, and said its passengers' charter would be more onerous than that of its predecessor, by improving punctuality and reliability in February 1997. Great Western promised a few new services and several improvements.

Make no mistake: Sally's back



Back on track: Olympic champion Sally Gunnell yesterday pounded her way back from injury at the AAA Indoor Championships. Sports Section, page 14. Photograph: Dan Chung

Inspections to be tougher for weak schools

FRAN ABRAMS
Education Correspondent

A tougher regime of inspections for weak schools is called for in new plans delivered to ministers by the chief inspector of schools, Chris Woodhead. Mr Woodhead has told Gillian Shephard, the Secretary of State for Education, that good schools only need a visit every six years but that inspectors should be free to visit the weak ones as often as they choose.

The paper, completed last week, will form the basis for discussions between ministers and Ofsted, the school inspection body, on what should happen when the current four-year cycle of inspections ends.

By next year all 4,000 secondary schools will have been given full reports under the privatised programme introduced in 1993. By the following year, all 19,000 primaries should also have received a visit - although the scheme is currently behind schedule because of a shortage of inspection teams.

The move to relax the inspection programme for good schools and to tighten it for those with problems comes as Mr Woodhead delivers his annual report on the state of the nation's schools today. It follows the future over Labour frontbencher Harriet Harman's choice of a grammar school for her son which has intensified the political debate over parental choice of "good" and "bad" schools.

For the first time the report will be accompanied by a list of outstandingly successful secondary schools, based on their exam results, their inspection reports, their extra-curricular activities and the "added value" they give to pupils. Many of these schools will be selective, but there will also be lists of primary schools, included for the first time, and of good and improving secondary schools.

The report will highlight the need for teachers to concentrate on the basics of reading, writing and mathematics and will

say that standards are still far too low in the second phase of primary education, between the ages of seven and eleven. Last year's report showed that 30 per cent of lessons at this stage were unsatisfactory, along with one in four infant classes. In secondary schools, almost one in five were unsatisfactory. Mr Woodhead's submission to Mrs Shephard on the cycle of inspections follows an earlier suggestion that weak schools should be inspected every two years, but now Ofsted believes that there should be more flexibility.

Last night Labour's education spokesman, David Blunkett, said that Mr Woodhead had failed to recognise the contribution local authorities could make to inspections.



Woodhead: Flexible regime

"The Government seems to be terribly confused about the future of inspection. This review has been undertaken because of the failure of Ofsted to meet its own targets for primary schools. It must be based on the needs of schools and not on the short-term difficulties of the Government and of Ofsted," he said.

Ted Wragg, professor of education at Exeter University, recently co-authored a report which said good schools should be thoroughly inspected every 10 years with a shorter visit after five. If they passed they should be given a license to operate and if they failed they should be given six months to improve, it suggested.

Rabin's killer is a model student for his old college

PATRICK DOCKBURN
Jerusalem

The sharp, handsome face of Yigal Amir has been peering out of Israeli television screens and front pages every day in the three months since he killed Yitzhak Rabin, the prime minister, but his old university is claiming it had quite forgotten what he looked like.

This, at least, is the explanation of Bar-Ilan university when asked why no fewer than 12 pictures of Amir appear in a fundraising booklet distributed at a dinner in New York last week. Pictures of Yigal Amir, who was a law student at Bar-Ilan for three years, appear on page after page as the model student potential donors might like to support.

Shlomo Eckstein, president of Bar-Ilan, a religious university north of Tel Aviv, says it is all a



Amir: Picture used 12 times in this fund-raising booklet

horrible accident. Amir is not named in the booklet, which was prepared 18 months ago, and nobody noticed whose face was used. "I am extremely sorry," said Mr Eckstein, "that such a technical error has again led to a stigma against the university."

It is doubtful if all Israelis will be as forgiving as he hopes. The booklet may have been sent to the printers earlier, but it was re-edited to include a picture of Rabin and a dedication to his memory. Leah Rabin, his widow, said the booklet gave her the "chills", adding: "It is very hard for me to believe that this happened only because of lack of attention and carelessness."

The pictures show Amir with his eyes cast down as he studies a book. He is not giving his notorious grin, as he so frequently does in court. Critics of Bar-Ilan say it might be possible that one picture could slip through, but are sceptical that 12 could be missed. They also wonder how Amir came to be picked as a model student even before the assassination, since he was already known as an extreme right-wing militant.

Disillusioned Tory MPs quit in record numbers

PATRICIA WYNN DAVIES
Political Correspondent

The Conservative Party is facing its biggest exodus of serving MPs for nearly a quarter of a century, as growing numbers of members opt for retirement or alternative careers rather than the prospect of opposition in an increasingly right-wing party.

An independent survey of the 52 MPs who have already announced they are standing down shows that while many give age as the reason, there is significant disillusionment about the direction of the Tory party and what some view as a downgrading in the standing and importance of the Westminster system.

Some of the departing MPs have never known opposition, while for others it is only dimly recollected, and none of

those prepared to expand on their planned departure suggested that the life and influence of a backbench MP would do anything other than deteriorate. For centre-ground One Nation Tories, the scale of the departures is provoking concerns that there will be a further shift to the right in the party and an explosion of career politicians principally interested in pursuing ministerial ambitions.

Sir Julian Critchley, who will be replaced as the candidate for Aldershot by right-wing former MP Gerald Howarth, said: "The retirement of the gentlemanly old guard will leave a party overtaken by careerists, suspicious of foreigners, determined to end the welfare state. The Tories can ill afford to lose so many sensible and experienced members."

Sir John Hunt, the MP for

Ravensbourne who has served in the Commons for 31 years, said: "Parliament has become more abrasive and less agreeable. I have thought for a long time. The party has moved further to the right than I would have wished. I would be much happier if we got back to consensus politics and the sort of the party I joined 50 years ago - the party of Iain MacLeod rather than John Redwood."

Some MPs said they disapproved of the "soundbite" culture of modern politics. Defiant Tories insisted that the party's standing in the polls was not a factor and that the degree of disillusionment had been exaggerated. Sir Michael Marshall, Arundel, said: "If we were reported properly we would be doing fine."

The 52 MPs, page 6
Leading article, page 12

Chinese satellite on course for UK's roofs

CHARLES ARTHUR
Science Correspondent

The civil defence network, mothballed since the Cold War ended, has been reactivated by a Home Office warning of a new threat - a wayward Chinese satellite that could crash into Britain at 1,000 mph in the next six weeks.

The threat from the satellite, which weighs a tonne but contains no nuclear material, is very real. The Ministry of Defence warned the Home Office last

year that the faulty satellite, code-named FSW1, had gone into a decaying orbit 100 miles above the Earth.

The Chinese, who launched FSW1 in October 1993, have lost control of its guidance rockets, meaning that its eventual crash-landing site will be entirely a matter of chance and can only be calculated a few days beforehand.

It presently orbits the Earth once every 100 minutes, tracing a path between 56 degrees south and 56 degrees north -

which includes all of Britain south of Glasgow and Edinburgh. The chances are, though, that it will end up in the ocean.

The Home Office contacted local authorities last October, and again in January, urging them to prepare "emergency planning measures" in case the satellite hit their locality.

"If it landed on your garden shed it would certainly demolish it," said Richard Tremayne-Smith of the British National Space Centre yesterday. "It does have some parachutes,

but there is a lot of doubt about whether those will work. "Even if the parachutes did operate, it would make a hell of a hole if it landed on your roof."

Any householder unlucky enough to receive this example of space technology could expect the repair bill to be paid by the Chinese government. Under an international treaty, countries that launch objects into space agree to pay for damage caused if or when they land. China embarrassed, page 3

IN BRIEF

Death squad fears
Ministers have been told they could be targets for IRA assassination squads if the Ulster ceasefire breaks down. Page 2

Today's weather
Rain, snow and sleet heading east. Section Two, page 25



£4bn spending boom
Consumer spending will receive a boost of at least £4bn this year thanks to windfalls such as maturing Tesas. Page 5

Howard under attack
A former Tory prisons minister joined the criticism of Michael Howard's plans for automatic life sentences. Page 4

Hodde 5, Robson 0
Chelsea, managed by Glen Hodde, defeated Bryan Robson's Middlesbrough 5-0 in the Premiership. Sports Section

Section ONE

BUSINESS 15-17 COMMENT 12,13 CROSSWORD 18 ESSAY 11
GAZETTE 14 LEADING ARTICLES 12 LETTERS 12
NEWS 2-10 OBITUARIES 14 SCIENCE 18 SHARES 15

section TWO

ARCHITECTURE 6,23 ARTS 5 CHESS 26 CROSSWORD 26
LISTINGS 24,25 NETWORK 7-22 REVIEW 5
TELEVISION & RADIO 27,28 WEATHER 25

copying faxing imaging printing computing

No, we haven't gone mad.

Simply by changing the

cartridge, the new Canon

**Free
colour
cartridge**

BJC-210 will print perfectly

either in colour or black

and white. And right now,

B&W Printer?

when you buy a BJC-210,

we'll send you the optional

colour cartridge absol-

utely free, while stocks last.

The new BJC-210 Simply fill in the

questionnaire attached to

the special offer box. For

further information, call

Freephone 0500 246 246.

If anyone can Canon can.



Canon

Scott leaks 'aimed at limiting government damage'

COLIN BROWN

Senior Labour figures believe leaks of the draft findings of the Scott inquiry accusing a Cabinet minister of misleading Parliament are part of a Government-inspired damage limitation exercise.

The Prime Minister faced renewed pressure from Robin Cook, Labour's Shadow Foreign

Secretary, for the resignation of William Waldegrave, the Chief Secretary to the Treasury, following an extensive leak of the draft report by Lord Justice Scott, who had carried out the investigation into allegations of a ministerial cover-up in the arms-to-Iraq affair.

But Labour believe the leaks are part of a carefully orchestrated campaign to lower the

public's estimation of the Scott inquiry report, before it is published on 15 February. Mr Cook said last night that there had been a campaign of vilification against Lord Justice Scott.

Downing Street said last night the Government would not be conducting a leaks inquiry because the report was the property of Lord Justice Scott. The Government is due to re-

ceive the final draft of the report on Wednesday, and questions about Mr Waldegrave's future were raised in a lengthy extract leaked yesterday in the *Sunday Times*. However, the leaked 11 pages were of an early draft, copies of which circulated last year, and were reported widely at the time.

Labour suspect that ministers wish to discount any damage to

Mr Waldegrave before the final report is published. Since the draft was issued, Mr Waldegrave has had the opportunity to correct any factual errors. Mr Major is said by Whitehall insiders to be determined not to sack his ministers, unless the report is so damning that their position becomes untenable. Government sources said that there was strong optimism in Downing

Street that the report would not be as damaging as was feared. The Attorney General, Sir Nicholas Lyell, who allowed a prosecution to go ahead against directors of Matrix Churchill, although one was working for M16, is expected to be criticised. "He has extremely high integrity. He will go if he comes out of it badly," said a ministerial source. "William is likely to

fight, if he is criticised but the truth is no-one really knows, because we haven't seen the final version yet," the source added. Robin Cook said it had been revealed that Mr Waldegrave had signed letters more than a dozen times assuring MPs there had been no change of policy on arms to Iraq, which he knew to be inaccurate. Democracy at work, page 13

IN BRIEF

Smear warning for Ashdown

The Liberal Democrat leader Paddy Ashdown has been warned that he could be the target of a smear campaign in a court hearing later this week as part of a vendetta against him.

Mr Ashdown, whose car was firebombed next to his home on Friday, has been told the smears could be aired, under the protection of court proceedings, in the case of a 51-year-old Yeovil man accused of a street assault against him in his constituency.

Opponents of Mr Ashdown

have warned that his name will be linked to a former massage parlour in the town. It is known that Mr Ashdown emphatically denies the allegations. The MP for Yeovil has been subjected to a campaign of intimidation since confronting racists in the town who have been targeting Asians.

Cold pay-outs reach record £47m

A record £47m has already been paid out in cold weather payments this winter, according to Department of Social Security figures. The sum is more than double the previous highest pay-out of £23m in 1991-92.

The payments, triggered when the average temperature is forecast or recorded at zero degrees or below for seven consecutive days, is available to people on income support including pensioners, the disabled, and families with children under five. More than 5.6 million payments have been made.

Cause or cure?

Taking painkillers may be a major cause of headaches for more than a million people, according to a report in the Consumers' Association magazine *Health Watch*. Dr Timothy Steiner, a clinical physiologist at Charing Cross Hospital, says a condition called chronic daily headache, which affects up to 2 per cent of the population, is linked to excessive use of headache pills. Patients who stopped taking tablets often found the condition cured.

Photographer dies

Brodrick Haldane - "the founder of modern society photography" - has died at the age of 83 in the Western General Hospital, Edinburgh. He was suffering from cancer.

Theatre award

The Royal Court Theatre in London has won £75,000 as the overall winner of the Prudential Awards for the Arts. Winners in the other categories were Jonathan Burrows Group for music; Glyndebourne, for opera; Tronway, for visual arts.

Six lottery winners

There were six winners of this week's £9,752,856 National Lottery jackpot. Each gets £1.6m. The winning numbers were 2, 9, 22, 26, 32 and 44, plus bonus 40.

Notorious number

Britain's most risqué car number plate, FU2, is up for sale for the first time in 20 years. Its owner, Hanna Smart - wife of the circus impresario Billy Smart Junior - says: "It's time for somebody else to have the fun." The plate achieved notoriety in the 1970s when it was attached to sex symbol Fiona Richmond's E-type Jaguar.

Cabinet warned of IRA hit squads

COLIN BROWN

Chief Political Correspondent

Intelligence and security officers have warned senior Cabinet ministers they will be targets for IRA assassination squads if the Northern Ireland ceasefire breaks down amid fresh fears for the peace process.

Protection on ministerial cars has been upgraded for some ministers who are believed to be on the IRA hit list. The cars, which have bullet-proof windows, have been fitted with sophisticated electronic sensing devices to alert the driver if a bomb has been attached to the underside.

M15 and anti-terrorist officers in the Royal Ulster Constabulary have warned the Government that the IRA will strike quickly at targets on the mainland, if the ceasefire breaks down. "They have been told it will get very nasty, if the ceasefire ends, and that the targets will be on the mainland," said one Government source.

US Senator George Mitchell, who chaired the commission on decommissioning IRA arms, also expressed fears of a return to violence. He said an IRA splinter group could break the ceasefire and he also put renewed pressure on John Major to end the deadlock by calling all-party talks before the end of this month.

The secret security service warnings were publicly aired by Sir Hugh Annesley, the RUC Chief Constable, who said at the weekend that the bombing campaign would be directed at the mainland, if there is a return to violence. The security and intelligence forces have told ministers that the IRA has been active in Ireland and on the mainland, keeping a watch on possible targets, despite of the ceasefire.

The ceasefire has allowed some security to be relaxed. John Major dodged through busy lanes of traffic in Whitehall last week when he went on foot to a Burns night party at the Banqueting House, a few hundred yards from 10 Downing Street. He was accompanied by bodyguards wearing kilts.

Senator Mitchell said: "It seems clear that not all on the Republican side favour the ceasefire and the potential for some elements to take direct and violent action does remain," he said on BBC TV Breakfast With Frost.

Mr Mitchell, whose commission told the Government that the IRA would not decommission its arms before talks, said all sides should redouble their efforts for peace.

Asked whether the IRA would return to violence, he said: "I think there is a danger of a fracture within that organisation. I hope that is not the case. I do believe that the political parties that are closely associated with the paramilitary organisations on both sides, Republican and Loyalist, are committed to the process."

"That's why I believe it is important to draw them further into the democratic process by getting these negotiations going as soon as possible," Mr Mitchell said.

His warning came after the IRA denied responsibility for a gun attack during which 37 shots were fired at the home of a policeman in County Tyrone. The IRA issued a coded message in Belfast condemning as "mischievous" claims that it was behind the attack.

The security remain optimistic that the peace will hold, but their fears underline the delicate balance in which the peace process is now held.

Novel attraction: BBC hopes 'Jane Eyre' can repeat 'Pride and Prejudice' hit

Great tradition: Andrew Davies (left) may bring Charlotte Brontë's magic to the BBC; Orson Welles and Joan Fontaine star in the 1944 film *Jane Eyre*

Brontës next to scale heights of television

MARIANNE MACDONALD
Media Correspondent

The BBC is negotiating with Andrew Davies, the writer whose successful adaptation of *Pride and Prejudice* delivered audiences of 14 million last autumn, to work his magic on Charlotte Brontë's *Jane Eyre*.

His adaptation of Jane Austen's romantic early novel delivered record figures for a BBC costume drama, a feat the corporation is hoping to repeat. If all goes according to plan, the Brontë serial will be filmed next winter and will hit the television screens in 1998.

The move signals that the frenzy for classic adaptations is moving on from Jane Austen to the Brontë sisters, authors of *Wuthering Heights*, *Jane Eyre*, *Vil-*

lette and *The Tenant of Wildfell Hall* during their short and tragic lives.

The Austen revival has been fuelled not only by the BBC production of *Pride and Prejudice* starring Jennifer Ehle and Colin Firth, but also by the Hollywood film of *Sense and Sensibility* adapted by and starring Emma Thompson, which recently won the Golden Globe for best screenplay.

Davies, whose previous credits also include the lavish and critically acclaimed 1994 production of *Middlemarch* for the BBC, as well as the *House of Cards* political trilogy, is also in the frame to write a screenplay of *Emma* for ITV.

Alan Ayrd, the BBC's senior drama spokesman, confirmed the department was in discus-



Charlotte Brontë: Set to join the classic revival

sion with Davies for a three- or four-part adaptation of *Jane Eyre*. Anne Brontë's *The Tenant of Wildfell Hall* is in production, while *Villette*, also by Charlotte, is under consideration.

"But it has not yet been commissioned," he added. "We will have to see how much money we have in the spring."

Ironically, BBC Education has been considering an adaptation of the same novel, to be written by Fay Weldon - who adapted *Pride and Prejudice* for the BBC's 1980 production - but this has been shelved, partly because of the potential clash with BBC Serials.

A third Hollywood adaptation of *Jane Eyre* is also said to be underway with a big name cast to be directed by Franco Zeffirelli.

The BBC drama department is not just looking at *Jane Eyre*. Anne Brontë's *The Tenant of Wildfell Hall* is in production, while *Villette*, also by Charlotte, is under consideration.

"Having devoured all of Jane Austen, the sharks are moving on to the next big shoal, which would have to be the Brontës," Mr Davies said.

"I hope people don't get entirely fed up with classic fiction. The sort of big numbers who watched *Pride and Prejudice* might drop off, but I think there's a solid constituency which really likes the idea."

"*Jane Eyre* is one of those books like *Pride and Prejudice* that is a lot of people's favourite. A lot of girls absolutely adore it, and a lot of women look back on it as one of their peak reading experiences."

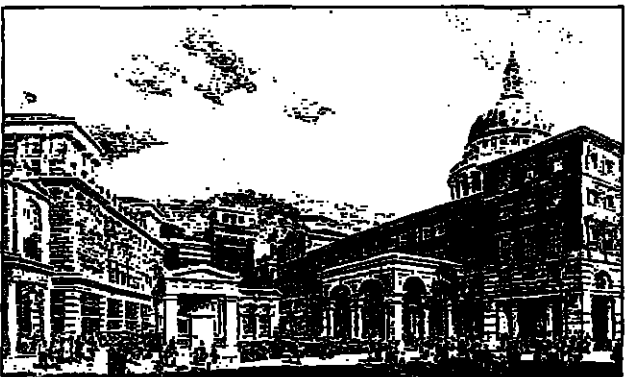
St Paul's 'needs a square for people'

LOUISE JURY

One of Britain's most architecturally sensitive sites, Paternoster Square by St Paul's Cathedral, in London, should be a place for the people, the leading architect Sir William Whitfield said yesterday after his appointment to review controversial redevelopment plans.

A bitter battle has raged for a decade over what should happen to the area which was blighted by Jacklustre office blocks in post-war rebuilding work and which is currently owned by the Japanese company Mitsubishi Estate.

The most recent plans have been severely criticised by some commentators, most notably the Royal Fine Art Commission, of which Sir William is a member, which advises on architecture. The commission has condemned the scheme as bombastic pseudo-classicism while others have suggested its grand



An artist's impression of the scheme favoured by the Prince

scale may not meet City office requirements. Jonathan Glancey, the *Independent's* architecture correspondent, argued the area deserved better than to be "smothered in cumbersome and camp office blocks".

The appointment of Sir William, one of the Prince of Wales's favourite architects and much praised for his elegant

neo-classical design for the Department of Health in Whitehall, looks set to head off those criticisms.

Yesterday, he spoke of the need to combine the demands of City institutions with making the square a fitting place for people visiting St Paul's. "The City desperately needs to get this really shameful bit of the

City sorted out. It is quite extraordinary that it looks like it does next to one of our greatest national monuments. It should be a place rewarding to the City but also a place people fall in love with and where they come and gather." It was not, he said, impossible to combine business with making the square friendly.

He hoped to report back within around three months, but said it was too early to say whether he would be suggesting major alterations. "I have no intention of changing for the sake of changing," he said.

But Sir William did not know whether his recommendations would be final. "If I can achieve a consensus view... I know Mitsubishi would very much like to go forward with it," he said. "The arguments are well-hearsed. But the various pressure groups may... refuse to see that there might be another way to look at it."

Female firefighter dies in supermarket blaze

STEVE BOGGAN

A female firefighter was killed by falling debris yesterday as she searched for shoppers inside a blazing supermarket.

Fleur Lombard, a single woman in her early twenties, became the first female firefighter to die on duty in Britain when part of the roof of Leo's Supermarket in Staple Hill, north Bristol, collapsed on top of her and a male colleague.

Both were dragged clear by fellow firefighters but Miss Lombard was already dead. Her colleague was taken to hospital with burns and minor injuries but was allowed home later. It emerged last night that all customers and staff at the store had evacuated, but that was not known to the brigade when it arrived on the scene.

Avon fire brigade was in a state of shock last night. Miss Lombard's fellow crew members from Speedwell fire station, a mile from the blaze, were immediately taken off duty for a debriefing. A brigade spokesman said they would be offered counselling. Station officer John Dando added: "The loss of a valued colleague is obviously a major shock for everybody. This is the first death we have suffered in 16 years."

Miss Lombard moved to Avon as a full-time firefighter two years ago after serving in Derby as a retained firefighter. She was one of the brigade's first female recruits.

Her father Roger Lombard, from New Mills, Derbyshire, said last night: "We were extremely proud of her. She died doing what she wanted to do."

More than 100 firefighters using eight appliances fought for three hours to bring yesterday's fire under control. For several hours, a huge pall of black smoke hung over the northern part of the city.

Avon and Somerset police appealed last night for an elderly couple who raised the alarm at lunchtime to come forward. It is understood they alerted a member of staff to smoke and flames in an area of stacked bags of crisps.

Yesterday's tragedy came just three days after Stephen Griffin, 42, and Kevin Lane, 32, part-time firefighters, died when they went into a blazing house to rescue a child who had already been carried to safety in Blaina, Gwent. Twenty-one firefighters have lost their lives on duty since 1990.

THE INDEPENDENT ABROAD

Austria	£5.40	Wales	£5.00
Belgium	£5.00	Italy	£4.50
Canada	£5.00	Malta	£5.00
Cyprus	£5.20	Norway	£5.00
Denmark	£5.00	Sweden	£5.00
Ireland	£5.00	Switzerland	£5.00
Japan	£5.00	USA	£5.00
Luxembourg	£5.00		

OVERSEAS SUBSCRIPTIONS
For mail, 13 weeks Europe £110.70; Zone 1 (incl. East, Africa, Asia and India) £124.00; Zone 2 (Far East and Australasia) £200.70. To order, please send cheque payable to Johnstone International Media Services Ltd to 43 Millharbour, London E14 9TE or telephone 0171-538 8288. Credit cards welcome.
BACK ISSUES
Back issues of the Independent are available from: Historic Newspapers, telephone 0885 402495.

Which Rhine cruise offers more than castles in the air?

It could only be a cruise with Swan Hellenic. The irresistible choice for those seeking more than just a passing view, a Rhine cruise is a unique opportunity to enjoy an enchanting passage along the course of history. Aboard our exclusively commissioned vessel, an expert guest speaker will enhance your appreciation of Cologne, famous for its Cathedral, the magnificent University town of Heidelberg and Strasbourg, renowned for its picturesque cobblestone streets, not to mention Koblenz, Mainz and Basel.

As you are effortlessly transported along this magnificent river

you'll behold rugged cliffs topped by romantic castles, steeply terraced vineyards dotted with medieval villages and majestic views of the Black Forest and Vosges Mountains that make the Rhine so unforgettable.

Fares start from £1,795 for 10 memorable days including all excursions and tips. Cruises depart on 29th April, 8th May, 7th August, 7th and 16th September. For more information and a brochure see your local ABTA Travel Agent, call 0171 800 2200 or write to Swan Hellenic Cruises at 77 New Oxford Street, London WC1A 1PP.

SWAN HELLENIC
Broaden your horizons, broaden your mind.

ATOL: 0307

Rail fraud 'aimed to help success of sell-off'

CHRISTIAN WOLMAR
Transport Correspondent

The London, Tilbury and Southend line fraud, which has led to the postponement of one of the first British Rail privatisations, involved little more than transporting suitcases full of tickets from one station to another, it was claimed yesterday. It appeared that the alleged scam was not designed to line

the pockets of the perpetrators, but to profit the company which they had created to help ensure the success of privatisation.

According to sources, it is claimed the fraud allegations involved the printing of rail tickets incorporating London Travelcards at Fenchurch Street station, the line's terminus, and selling them at Upminster, one of the line's intermediate stops. Tickets issued at Fenchurch

Street raise more cash for LTS than those issued at Upminster.

Because passengers at Fenchurch Street, which is not connected to the London Underground, are expected to use their tickets mainly for travel on the LTS, London Transport only gets 22 per cent of receipts from Travelcards sold there. But at Upminster, which is on the Tube's District Line, London Transport receives 48 per

cent. The customer would not notice the difference on the ticket, but LTS would retain more of the revenue.

The irregularity was discovered by BR's routine internal audit because the auditors wondered why there was such an upsurge in ticket sales at Fenchurch Street and a drop at Upminster. Investigators were sent in last week and once the extent of the alleged fraud was

discovered, postponement of the franchise was inevitable.

Michael Heseltine, the Deputy Prime Minister, claimed that the affair was a triumph for the new system, but BR insiders claim it was due to the efficiency of its auditing systems.

The allegations have resulted in the resignation of Colin Andrews who was commercial director of both LTS and the new private company, Enter-

prise Rail, which had been due to take over the service yesterday.

In the six weeks of the alleged fraud, it was claimed to have cost London Transport about £45,000 and over a year would have netted LTS about £500,000 — enough to make the difference between profitability and loss for a company with an annual revenue of about £55m and a subsidy of £28m.

Brian Wilson, Labour's transport spokesman, said the franchise process should be restarted: "If it is confirmed that Enterprise Rail would have benefited from this alleged fraud, then there is no way that it should be ever allowed to take on the franchise."

The affair raises questions over the position of management buy-out teams. Buy-out teams have taken over two of

the first three franchises and are expected to figure prominently in the next round of four lines due to be privatised in the spring.

One rail insider warned that they could, for instance, artificially depress income in the period running up to privatisation by allowing fare dodgers a free rein and then tighten up procedures once they had taken over the line.

Railways sale: Inauspicious start for private services as enthusiasts stage a boycott and engineering work confuses travellers



Keeping track: Passengers arriving at Waterloo yesterday on the first fully private train Photograph: Peter Macdiarmid



On the road: Peter Jones drives into history with the first privatised rail service for 50 years Photograph: Rob Stratton

Lack of passengers blights launch of Stagecoach line

CHRISTIAN WOLMAR

If the fate of the new private operators hangs on their ability to forecast demand, Stagecoach, the bus company which yesterday took over the running of South West Trains, failed miserably. Anticipating huge interest from amoral-wearing train spotters — or griers as they are known — the company doubled the length of its 5.10am service from Twickenham yesterday because it was the first private service for 50 years.

But the griers, who mostly dislike privatisation, staged a boycott leaving most of the 550 seats empty. Discounting the hundred or so journalists, politicians and public relations there were only nine genuine passengers on the train during its 35 minute trundle to Waterloo. And one of those was a fare dodger who slunk on at Clapham Junction expecting the normal lack of staff but found himself facing half a dozen "revenue protection

officers" in their best uniform. They promptly charged him £10, but like most fare dodgers, he did not have the money and therefore they merely took down his name and address leaving Stagecoach with its first debt collection problem.

There seemed to be no one with a good word to say about privatisation among the fare-paying passengers. One, Dave West, warned darkly about "cuts in train services and higher fares". Another, John Bird, a member of the Branch Line Society, said it might work but then decided he had been too positive about privatisation and added: "Who knows."

One of the few passengers who was actually using the train for a real journey became the first privatised cycle passenger when he wheeled his much-matched racer onto the train. Phillip Redford, middle-aged and bearded, called himself a "bus rover" and said he was on his way to play the cheap video games at Clacton.

However, while the transport-

ers were absent, the government acolytes were out in droves. Toby Jessel, the local MP just happened to be on the train, as was Nick Montague, a senior Department of Transport official who was the brains behind the privatisation scheme. Police at Twickenham station, however, had kept out any lost drunk Welsh rugby supporters and other undesirables, who presumably had to wait for the next train.

The 5.10am from Twickenham was not the train that ministers would have chosen for what they have been telling us all week was a "historic moment". Even on a good day, Peter Field, managing director of South West Trains confided, it would have only a dozen or so passengers.

But because of legal and accounting complications, the transfer had to take place at two in the morning. Apart from the now famous bus replacement service from Fishguard on the Great Western Railway and another nondescript service

which left Waterloo at 1am yesterday and transferred into a bus service at Eastleigh at 2.52am, the Twickenham 5.10am was the first fully private train service and had the great advantage of not being a bus.

Throughout the week, the Department of Transport spin doctors had refused to say whether a minister would be on the train but they had quickly whistled up Sir George Young, the Secretary of State for Transport, because of the public relations disaster created by the postponement of the London, Tilbury and Southend privatisation because of fraud investigations.

Whether the 5.10am thrives in the private sector remains to be seen since under the terms of its contract with the rail franchising director, Stagecoach is not obliged to provide the train. It merely has to bring the first Sunday train into Waterloo by 8am and with so few passengers ever using it its future must be in doubt.

MICHAEL PRESTAGE

The defining moment of rail privatisation was to have taken place 10 minutes after the 1.50am Fishguard-to-Paddington service had started off. But old habits die hard for British Rail. The historic changeover happened just as the late incoming service entered the harbour, where passengers from the Irish ferry were waiting.

The fact that the first private train for 50 years was also a bus had already embarrassed new owner, Great Western Trains. Engineering works meant the first passengers travelled by bus as far as Cardiff.

Officials needed to find a time to transfer the first three passenger rail franchises to the private sector and decided on 2am on Sunday, when, they believed, no trains were operating. But they overlooked the Fishguard service. And so it was that waiting for the bus on a chill night was a small media huddle.

The first to board was a stag party from Whitland, Dyfed, who had taken the ferry to Rosslare and back to celebrate.



Novel ride: Writer John Seymour Photograph: Rob Stratton

The bridge room-to-be, daubed head to foot in black shoe polish, was beyond noticing the epoch-making significance of the journey.

One of his friends, a farmer called Huw, who was a veteran of the day-long "booze-cruise" crossings to Ireland, was used to the bus. He did not expect things to change. "It's always a

bus from here. They can't afford to run a train."

John Seymour, 81, from just outside Rosslare who was heading to London for the launch of his latest novel, was not aware his train was going to be a bus and was not happy. "We weren't given any information at the station at all," he said. "Nobody seemed to know why there was no train: everything from privatisation, work on the line

and an accident were put forward as excuses. Next time I come I'm going to fly."

The bus driver had no strong views about privatisation and the 2am changeover passed unnoticed by the handful of passengers travelling to Fishguard. "All I know is that I'm driving the bus today and if I haven't won the lottery I will still be driving it tomorrow." By the time the bus reached Cardiff at 5.20am the press outnumbered passengers, the driver having made an unscheduled stop at Whitland to allow the stag party to disembark.

A guard awaited the trains arrival still wearing his British Rail issue uniform. The new forest green jacket and grey trousers that will identify him as a Great Western Trains staff member had not yet been given out. He was unenthusiastic about the change of owner. "It's a different zoo keeper, that's all. We can't get any lower, and that's being honest with you. This government has got a hell of a lot to answer for."

Terminal journey to earth for Chinese spy satellite

CHARLES ARTHUR
Science Correspondent

China's FSW1 satellite is due to hit the Earth sometime in the next few weeks, after becoming the source of considerable embarrassment to its makers during the two years since it was launched.

Designed to carry out a series of experiments in the low-gravity conditions 100 miles in orbit — and also, say unofficial sources, to take spy photographs of enemies' military installations — the FSW1 is in a "decaying" orbit, out of control, after its rockets misfired early in its mission and altered its orbit from a stable, circular one to an unstable, elliptical one.

"We have known for nearly two years that it was going to come down," said Richard Tremayne-Smith, of the British National Space Centre, yesterday. "And we knew it was going to come down out of control."

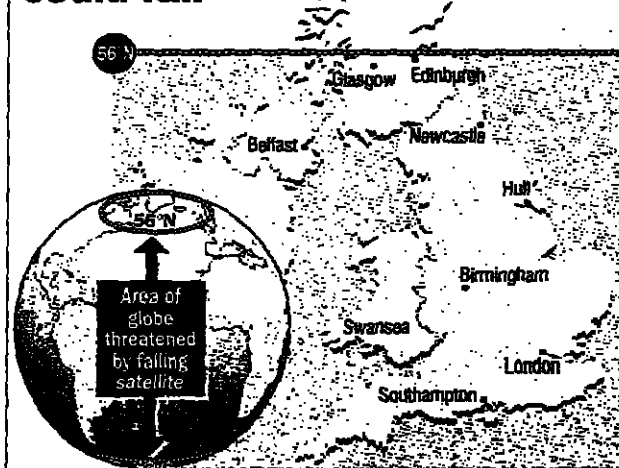
The satellite, which does not contain any nuclear materials, is being tracked by at least five organisations — the Defence Research Agency in Farnborough, Hampshire, the US Space Command in Colorado, the European Space Agency in Darmstadt, Germany, and by the Russian and Chinese space agencies. But none is able to say for sure where it will finally crash, because the rate of decay of the orbit depends on the thickness of the Earth's atmosphere. Friction with the atmosphere slows the satellite, allowing gravity to pull it downwards. But precise calculations are impossible for an object travelling at 18,000 mph in an orbit which makes it wander over every point on the globe between 56 degrees north and 56 degrees south.

The impact will be tremendous. FSW1 weighs just under a ton, and will be red-hot from falling through the atmosphere. When it reaches Earth it will be travelling at about 1,000 mph. Nick Johnson, a space junk specialist at NASA, said it could leave a crater 30 feet wide and 20 feet deep on impact. But the likelihood is that it will land in the ocean.

Space junk is an increasing hazard for spacecraft. According to NASA estimates, there are at least 7,000 "substantial" objects such as satellites in low earth orbits. But almost all are either in stable orbits, or designed so that if they fall to Earth they will be vapourised by the tremendous heat generated on re-entry to the atmosphere.

NASA maintains an electronic newsletter, called Spacewarn, to alert the authorities about satellites and rocket fragments expected to fall to Earth. FSW1 is unusual in that it is designed to withstand re-entry, because the Chinese wanted its onboard films and experimental results. The only other large man-made items that have hit Earth have been Russian and American satellites, including

Where the satellite could fall



the US space station Skylab, parts of which landed in a remote part of the Western Australian outback in July 1979. Most of its 850 tons burnt up on re-entry. Last month, an experimental Russian moon landing vehicle fell into the Pacific Ocean after 20 years in orbit.

As well as tasting food at any event the star attends, the food-taster also samples everything dished up at home.

Star's food taster more than just a fad

A school for butlers in London has found a food-taster for an American superstar worried about possible threats to his life. The anonymous star asked the Ivor Spencer International School for Butler Administrators to hire him a full-time food taster who must be able to travel with him worldwide, taste everything from take-away

hamburgers to banquets. School chief Ivor Spencer said he spent several weeks looking until, while at a wedding in Beirut, he got talking to a chef who knew of an American-Lebanese man who worked for five years as a food-taster in the Middle East.

He contacted the man, who has been living in the United States, and speaks five languages. He starts work for the superstar this week.

Mr Spencer said of the job: "You are in the kitchens most of the time. When they go to a restaurant, it has to agree the food taster can stay in the kitchen watching the preparation of the food."

Then I understand he must follow the waiter with the actual dish from the moment the chef puts the food on the plate. He tastes it downstairs before it goes up."

AVAILABLE ONLY AT PHARMACIES

Bathe away the bugbear of eczema & dry skin

Prescribed by dermatologists and GPs for a range of medically related dry skin disorders, the EMULSIDERM formulation is a unique, clinically-proven skin treatment available now from your pharmacist, without prescription.

EMULSIDERM's unique combination of three active ingredients has been specially developed not only to gently soothe, smooth and rehydrate the dry, itchy skin of dermatitis. EMULSIDERM has also been scientifically proven to combat the bacteria *Staphylococcus aureus* — a bug which extensive medical research has linked to flare-ups of atopic eczema.

EMULSIDERM does not contain any steroid or any perfume or lanolin, and is suitable for all ages. For quick and effective skin therapy, simply add a small quantity to your bath.

Ask for EMULSIDERM by name at the pharmacy section of your local chemist. Always read the label.

Emulsiderm

Senior Tories attack Howard's jail plans

STEPHEN WARD
Legal Correspondent

A former Conservative prisons minister yesterday joined the growing chorus of criticism of Michael Howard's plans for automatic life sentences for habitual violent criminals and rapists.

Sir Peter Lloyd, a former junior minister at the Home Office, dismissed the plan to give life sentences to repeat offenders whether they posed a continuing threat to society or not as "cumbersome". He said it would be better to introduce new medical or judicial grounds to hold inmates who still posed a threat at the end of the sentences.

He said of Mr Howard: "I don't think he has convinced the judiciary or myself yet that his approach to dealing with this point is the right one ... I'm not convinced there is a need for a

mandatory, automatic life sentence for the second offence to catch the comparatively few cases that I think need to be caught.

"What is needed is a judicial-cum-medical mechanism by which they can be held until they are no longer seen as a special risk. That's what we ought to be debating - how we can ensure we don't release back into the community criminals who are still very violent and are almost certainly going to commit a violent crime again."

Last week, a High Court judge, Lord Justice Rose, warned that rapists would be more likely to kill their victims if the sentence was the same for rape as for murder.

Mr Howard also came under fire yesterday from Lord Hailsham, the former Lord Chancellor, who signalled growing opposition in the House of Lords to Mr Howard's pro-

posed minimum sentences for habitual criminals.

Lord Hailsham, 88, chairman of the Tory party under Harold Macmillan, and Lord Chancellor under both Edward Heath and Margaret Thatcher, said during a television interview on GMTV: "One shouldn't, if one is Home Secretary, seek to impose one's views either on colleagues or on the legislature."

He went on: "This business about mandatory sentences must be held in very grave suspicion."

Lord Hailsham has already attacked Mr Howard's plans to reduce judicial discretion on sentencing, announced at last year's party conference, but the fact that he has chosen deliberately to re-state his annoyance in a recorded television interview shows that opposition is hardening, rather than weakening as Mr Howard must have hoped.

Mr Howard, though, made it

clear in a speech at the weekend that he is intending to press ahead with his White Paper unchanged, despite the opposition.

He met senior judges and others on Saturday under the forum of the Criminal Justice Consultative Committee and had what he described as a "very vigorous" exchange behind closed doors.

He said after the meeting: "I have not heard any arguments which have persuaded me my original arguments were wrong. Some of the judges have views which are different from mine but these decisions are for those who are accountable to Parliament and the public."

Three of the most senior judges, Lord Donaldson, a former Master of the Rolls, Lord Ackner, a retired Law Lord, and Lord Taylor of Gosforth, the Lord Chief Justice, have already publicly attacked the proposals.



In worship: Mr Woo at Holy Trinity, Dalston, east London, for the annual Clown Service yesterday Photograph: Martin Godwin

Isn't the best airline in the US the best airline to the US?

United Airlines. Voted Best Domestic US Airline.

On 18th January 1996, United Airlines was voted Best Domestic US Airline. We were chosen by the readers of Executive Travel magazine, all of whom are frequent flyers.

They chose us for the quality of our service.

They were uninfluenced by our special 1996 fare from Heathrow to the US: £1996 return Connoisseur Class to New York (Newark and JFK) and Washington.*

That's a 15% saving on the normal business fare on BA, Virgin or American. None of which is the Best Domestic US Airline.

To book, call United Airlines on 0181 990 9900 (0800 888 555 from outside London) or see your travel agent.

 UNITED AIRLINES

*OUTBOUND TRAVEL MUST COMMENCE BY 31st MARCH 1996.

Storm gathers over £17m 'train to the heavens'

JOHN ARLIDGE

The bitter battle between skiers and environmentalists over plans to build a funicular railway in the Cairngorm Mountains is due to reach a climax this week as the Government's environmental watchdog and the Highland Regional Council prepare to deliver their verdict.

Councillors and members of Scottish Natural Heritage (SNH) meet this week to discuss the scheme, which was unveiled three years ago by the Cairngorm Chairlift Company. The firm, which runs the Aviemore ski centre, wants to build Scotland's first mountain railway to attract more skiers and summer tourists to Britain's highest peaks. Managers argue that the project will create up to 60 new jobs in the Strath Spey area and inject £10m into the fragile Highland economy. Without it, the loss-making Aviemore resort could be forced to close.

But SNH, the statutory body which advises ministers on environmental issues north of the border, has lodged formal planning objections. Members fear the £17m scheme will encourage so many people to take to the hills that the fragile 4,000ft Cairngorm plateau will suffer irreparable damage. Ramblers, mountaineers and the Royal Society for the Protection of Birds also oppose the project.

Anxious to overcome the objections, the Cairngorm Chairlift Company has revised its plans. The final draft, sent to SNH three weeks ago, proposes to limit the size of the mountain-top visitor centre and to introduce a ranger service. Tim Whitmore, the company's chief executive, argues that even though the one-and-a-quarter mile railway is designed to carry 500 people every hour, the ranger system will ensure they do not trample the sensitive alpine vegetation of the world heritage site or endanger the nesting sites of rare birds like the dotterel and the ptarmigan.

Observers expect the SNH to reverse its decision and approve the project tomorrow. Whatever the decision, ramblers and mountaineers will call on Michael Forsyth, Secretary of State for Scotland, to order a public inquiry into the development. Robin Campbell, president of the Scottish Mountaineering Club, described the railway as an "intrusion into Britain's last great wilderness ... a crowning aesthetic abomination."

Even if Mr Forsyth refuses an inquiry, the RSPB, which owns 32,000 acres in the Cairngorms, says it will challenge the project in the European Court of Justice. For Highlanders, the "train to the heavens" looks set for a long delay.

Granite cathedrals, page 13

MALE IMPOTENCE

THE SOLUTION.

The solution is now much easier than you think. Discover why so many men have already resumed normal loving relationships thanks to discreet new treatments that are simple, safe and effective. No longer should any man suffer alone - the answer to impotence, premature ejaculation and any questions you may have are to be found in our confidential free booklet, just published. To obtain your copy within 48 hours, please FREEPHONE one of our experienced male advisors on:

0800 357581

or return the FREEPOST coupon below.

The Central Clinic

15
CLINICS
NATION-
WIDE

Please send me my free book 'Male Impotence - All your questions answered' in complete confidence.

Name

Address

Postcode Tel No

THE CENTRAL CLINIC, FREEPOST 40 ALM1635, LONDON W1E 7LJ

هنا من الأصل

Consumer outlook: Maturing Tesses and building society flotations set to increase sales of cars and other 'big ticket' items

Windfalls give £4bn boost to high street

DIANE COYLE
Economics Correspondent

Consumer spending will receive a boost of at least £4bn this year thanks to windfalls such as maturing Tesses and free shares when building societies join the stock market.

Even if people spend only a modest portion of these one-off gains they will have a big impact on the economy, according to a report published today by Business Strategies. The consultancy - whose chief econo-

do with this money will make a noticeable difference to Britain's economic performance," David Fell, a director of Business Strategies, said.

On the cautious assumption that about one-fifth of the money is spent in each year and the rest saved, the group predicts that the economy will grow by 2.8 per cent this year. This makes it almost as optimistic as the Treasury, which was criticised by many economists for its Budget forecast.

The critics are starting to change their minds. There are several reasons for thinking windfall receipts will be spent rather than invested.

and South-west people's optimism about their own finances has fallen slightly. But the report adds there is no information about the regional pattern of either Tesses or building society membership.

■ The cashless society is still some way off, according to a study of payment methods. More than six in 10 Britons still use cash to make most of their purchases, according to a report by market analyst Mintel.

Among 15- to 19-year-olds, the proportion rises to nine out of 10, while almost eight out of 10 of those aged 65 and over favour cash.



Spending spree: Growing numbers of economists believe that people will spend rather than invest lump sums in the next two years

Summary of windfall gains to consumer, 1996 & 1997

	Value
Electricity rebate	£1bn
TESSA Capital	£2bn
A&L	£2.5bn
TESSA Interest	£4bn
Abbey National/N&P	£1bn
Total for 1996	£10.5bn
Halifax/Leeds	£10bn
Woodwich	£3bn
TESSA Capital	£12bn
TESSA Interest	£14bn
Total for 1997	£29bn

mist, Bridget Rosewell, has just become one of the Treasury's six independent advisers - is says growth will pick up this year thanks to a consumer spree.

The windfalls consumers will receive this year and next add up to about £50bn. They include electricity rebates to customers, free shares from the flotation of several building societies and the principal and interest on the first Tesses - tax-free savings schemes.

"Most people will be receiving some lump-sum income during the course of the next two years. What they decide to

Consumer confidence has steadily improved during the past 12 months and is at its highest level since the recession.

Surveys also show that the proportion of consumers planning to spend more on "big ticket" items such as cars and household goods has overtaken the proportion planning to spend less. And more think it is an unfavourable time to save because of low interest rates.

There is already evidence that part of the £1.8bn in free shares from Lloyds Bank's merger with the Cheltenham & Gloucester building society last August has been spent. Savings dipped sharply in the months after receipt of the shares.

"Even if we are not sure how much will be spent, we can be more confident about what it will be spent on," Mr Fell said.

He said the increase in spending would be greatest in regions where confidence about household finances has improved the most during the past year. These are Scotland and the West Midlands, followed by Wales, the North-west, and Yorkshire and Humberside. In the South-east

Sands run out for lowland lizards

NICHOLAS SCHOON
Environment Correspondent

The sand lizard takes its name from its habitat. In midsummer, females dig a shallow burrow in a patch of open, sunny sand and lay about eight eggs which hatch two months later. At this time of year, the lizards are underground and dormant. They will not emerge until March or April. A mild winter does not suit them because it makes them wake too early, leaving them vulnerable to damp.

Once widespread among lowland heaths and coastal dunes, they are down to about 6,000 breeding adults scattered among more than 100 colonies. Most are in the remaining Dorset heathlands, with a few

Heritage of the wild

found in Surrey and sand dunes on Merseyside.

Like nearly all endangered British species the main reason for their plight is the decline of their habitat. As well as patches of open sand, they need clumpy vegetation like old heather, up to a metre high.

This gives them the mix of sunshine, shade and cover they require as they scurry around in search of insects and spiders. Being cold blooded, they warm up by basking in sunshine then dash into the shade to avoid overheating.

Most of the lowland heaths have become fields, housing or forestry plantations.

In 1994 a three-year "crash" recovery programme was launched, led by the Herpetological Conservation Trust. Sand lizards have been reintroduced to Welsh sand dunes and sites in Cornwall, Devon and Dorset.



The sand lizard: Down to 6,000 breeding adults

DAILY POEM

Song

By William Blake

My talks and fine array,
My smiles and languish'd air,
By love are driv'n away;
And mournful lean Despair
Brings me yew to deck my grave:
Such end true lovers have.

His face is fair as heav'n,
When springing buds unfold;
O why to him was I giv'n,
Whose heart is wintry cold?
His breast is love's all worship'd tomb,
Where all love's pilgrims come.

Bring me an axe and spade,
Bring me a winding sheet;
When I my grave have made,
Let winds and tempests beat:
Then down I'll lie, as cold as clay,
True love doth pass away!

This poem is taken from the *Routledge Anthology of Cross-Generational Verse*, an entertaining journey through six centuries of the voice poets - from Chaucer to Seamus Heaney - writing in the voice of the opposite sex. The great charm of Blake's love-lorn maid - his his and misses: the preoccupation of a male literary - en with winding sheets and graves belongs to a medieval courtly love - canon all of its own, with its roots in a medieval courtly love - tradition of warring women and broken hearts. More authentic is W H Auden's haunting and salty "Miranda".

Wherever you find yourself on business, you'll find a Forte Posthouse



With 65 locations to choose from, we're the country's largest hotel brand. And with more Posthouses opening in 1996, wherever you're travelling on business there's bound to be one nearby.

Facilities include interactive TV and a mini bar in all bedrooms as well as room service; swimming pools and fitness clubs at many hotels, plus free parking and express check-out.

TO BOOK CALL US FREE ON

0800 40 40 40

OR CONTACT YOUR TRAVEL AGENT

RELAX AT A
FORTE POSTHOUSE
FROM

£59

FORTE
Posthouse

OVER 50 HOTELS AT £59 PER ROOM, PER NIGHT. PRIME LOCATIONS AT £69.

Conservative exodus: One Nation members fear shift to right as more than 50 MPs decide to stand down at next election 4

Disillusion and Nolan fuel Tory 'clear-out'



PATRICIA WYNN DAVIES
Political Correspondent

The Tory party is hurtling towards the biggest clear-out of serving MPs in the last six parliaments, with retiring Conservative members far outstripping their counterparts in the opposition parties.

With up to 15 months still to go before the next election, the planned exodus of experienced Tories has already passed the half-century, compared to only 24 opposition MPs (21 Labour, three Liberal Democrat).

The final tally of departures at the 1992 election came to 58. December saw three senior Tories, in-

cluding David Howell, chairman of the foreign affairs select committee, announce that they would be standing down.

They were joined last week by Tim Eggar, an experienced Department of Trade and Industry minister whose intended exit shook the party. If the current trend continues, the party will lose, at the least, about 65 MPs by the time of a spring 1997 election and probably many more.

Advancing age and the belief that they should give way to younger members is the official reason advanced by many. But the scale of the departures compares starkly with the numbers standing

down at the close of previous parliaments—43 at the 1987 election, 34 in 1983, 24 in 1979 and just 14 in 1974.

Some MPs have not attempted to hide their disillusionment with the Westminster system, the impact of the Nolan committee recommendations on MPs' conduct which are likely to significantly dent their outside earnings, and Government policy. Mr Howell, for example, criticised the Government for allowing British foreign policy to go "off the rails" because of the Tory party obsession with Europe.

The outgoing Ashford MP, Sir Keith Speed, was an outspoken

critic of Post Office privatisation. Although he made his decision to retire on age grounds some time ago, he has since warned the Government that rail privatisation will be a vote loser unless it forces the private sector to make clear investment pledges.

Others cannot face the dispiriting task of fighting a marginal or joining the "chicken run" because their seat is disappearing. Last, but quite likely a decisive factor in the minds of many, is the dispiriting prospect of life in opposition.

The prospect of a peerage in John Major's dissolution or resignation honours list, the possible

reward for former ministers such as Douglas Hurd, John Biffen, Kenneth Baker, Michael Jopling and Tim Renton, is infinitely more attractive.

Money is also a spur. Steven Norris, the transport minister, survived revelations about his love life only to announce at just 50 that he would be standing down. "The recession was not kind to my business and at my age I am very keen to rebuild it," he said.

But it is the Nolan constraints on lobbying and consultancy and the rule on disclosure of parliamentary-related outside earnings that have proved the last straw for many.

The wife of one Tory grandee said: "I think Nolan has a lot to do with it... You feel everything is going to be under scrutiny."

One Nation Tories who fear their party has already lurched to the right are apprehensive that their benches in the next parliament will be filled with careerists and right-wingers.

As Robert Hicks, the outgoing MP for Cornwall South East, put it: "Undoubtedly there is a new type of Member of Parliament on the Conservative side. They are products, if you like, of Thatcherism, more aggressive, and there is also an arrogance which does not appeal to me."



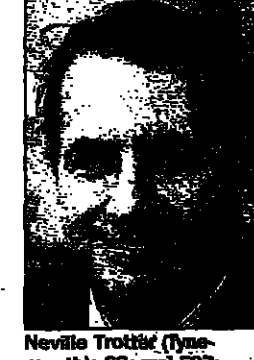
Sir James Spicer (Dorset W); 70; maj 6,010: "I wish I wasn't retiring—I think the next election is going to be the best fun... ever."



Patrick Thompson (Northwich N); 59; maj 266: "I have enjoyed my 14 years but it is time to hand over to someone younger."



Peter Thurman (Bolton NE); 57; maj 195: "I have enjoyed my 14 years but it is time to hand over to someone younger."



Neville Trotter (Yarmouth); 63; maj 597: "I always said I would retire at 60 and that time has come."



Kenneth Baker (Mole Valley); 60; maj 15,550: "The time has come to focus more upon developing my non-political interests."



Robert Banks (Harrowgate); 58; maj 12,589: "Faced near-certain deselection and decided not to put forward his name."



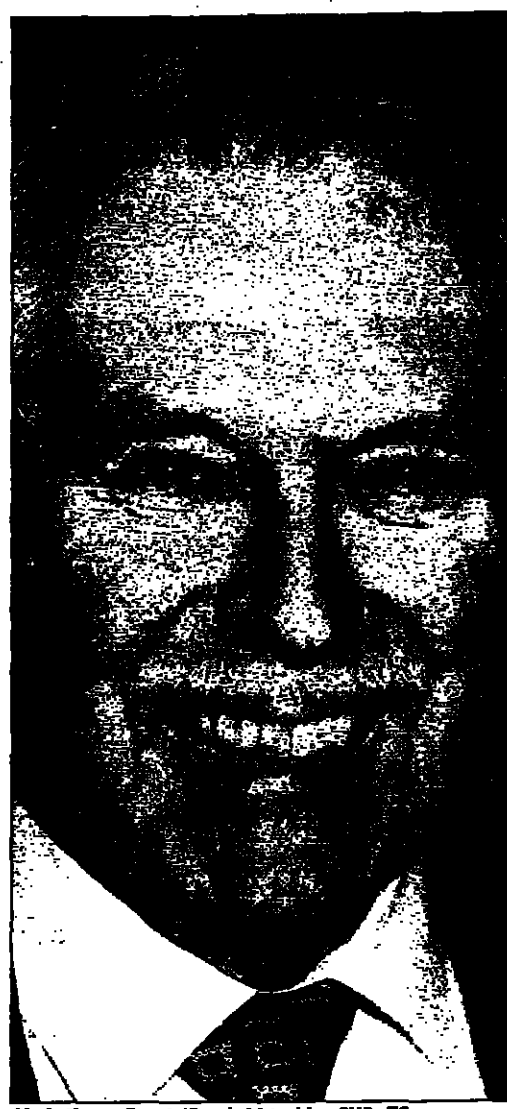
John Biffen (Shropshire N); 65; maj 16,211: "I thought it was better to go 5 minutes too soon instead of 5 years too late."



Michael Allison (Selby); 69; maj 9,508: "I was round about 65 at the last general election and I thought I'd do one more, so to speak. I'll have done 32 years in total. It doesn't make sense to go on in committed full-time work over the age of 70. It could be a year or 18 months away from a general election so one can't take any definitive view about how it's going to look then. I think the Conservative Party is doing marvellously. It's full of beans and full of optimism and hope having been in power since 1979. It's amazing."



Sir Julian Critchley (Aldershot); 64; maj 19,188: "Retiring through ill health. The retirement of the gentlemanly old guard will leave a party overtaken by careerists, suspicious of foreigners, determined to end the welfare state. The Tories can ill afford to lose so many sensible and experienced members."



Sir Anthony Grant (Cambridgeshire SW); 70; maj 19,637: "I think the Commons as a place is more honest now than it was 30 years ago, but nowadays it has so little importance. The press and television know far more about what is going on than we do. These days it is all soundbites until five o'clock when the cameras stop rolling. Prime Minister's Question Time is pure pantomime."



Robert Hicks (Cornwall SE); 57; maj 7,704: "At Westminster the atmosphere has been altered, particularly of course by the fact that the Conservatives have been in office now 16 years. Undoubtedly there is a new type of Member of Parliament on the Conservative side. They are products, if you like, of Thatcherism, more aggressive, and there is also an arrogance which does not appeal to me. Mrs Thatcher represented a different strand of Conservatism to what I do and I knew that I was going to be, if you like, marginalised somewhat."



John Butcher (Coventry SW); 49; maj 1,436: "I just felt I didn't want to go on until I was 65. I want to go back into industry."



Tim Eggar (Enfield N); 44; maj 9,430: "I'm leaving because I want to pursue another full-time career."



David Harris (St Ives); 64; maj 4,646: "The time has come to hand over to a younger person for the election."



Sir Ralph Howell (Norfolk N); 71; maj 12,546: "Although there are things that need changing, that is not [why] I am retiring."



Dame Elaine Kellett-Bowman (Lancaster); 71; maj 2,953: "Interests include: local government, disabled, elderly."



Sir Patrick McNair-Wilson (New Forest); 66; maj 20,405: "I've been here for 30 years now. I decided to leave a long time ago."



Richard Needham (Wiltshire N); 54; maj 16,388: "I'm leaving (to become) overseas director of the General Electrical Council."



Sir Geoffrey Partle (Chertsey & Walton); 59; maj 22,619: "[My going] has nothing to do with the government's record."



Sir Giles Shaw (Pudsey); 64; maj 8,972: "It is quite right and appropriate to give way to a younger person."



George Walden (Buckingham); 55; maj 19,791: "I am not prepared to continue sweet-talking the public like infants."



Sir Kenneth Carlisle (Lincoln); 54; maj 2,049: "I just felt I didn't want to go on until I was 65. I want to go back into industry."



Dudley Fishburn (Kensington); 45; maj 3,548: "There is too little for MPs to do, and too many of them."



Sir Terence Higgins (Woking); 67; maj 16,533: "MP since 1964. Chairman of Select Committee on Treasury and Civil Service 1984-92."



Sir John Hunt (Revenshorne); 65; maj 19,714: "I enjoy it less than I used to... John Major's standing in the polls is not a factor."



Sir David Knox (Staffordshire Moorlands); 62; maj 7,410: "... It's just like with any other job. You reach the end of the road."



Sir David Mitchell (Hampshire NW); 67; maj 17,848: "Maybe I will start looking around for someone to share my life with."



Steven Norris (Epping Forest); 50; maj 20,188: "I am leaving for very straightforward financial reasons."



Tim Renton (Mid Sussex); 63; maj 20,528: "In the seat for 22 years. 'The constituency now needs a younger person.'"



Roger Sims (Chislehurst); 65; maj 15,276: "The Government's standing is not a factor. I just feel I've done my stint."



John Ward (Poole); 70; maj 12,633: "There are too many professional politicians and research officers producing clones."



Paul Channon (Southend W); 59; maj 11,902: "An MP for 37 years. Chairman of Finance and Transport Select Committees."



Sir Michael Grylls (Surrey NW); 61; maj 28,394: "MP for 26 years and Chairman of Conservative Trade and Industry Committee."



Sir Peter Hordern (Horsesham); 66; maj 25,072: "I will be sorry to leave indeed. I shall miss the companionship most of all."



Douglas Hurd (Witney); 65; maj 22,566: "The time will have come to move on. The PM's critics have weakened Britain."



Dame Jill Knight (Birmingham Edgbaston); 68; maj 4,907: "Thirty years is long enough."



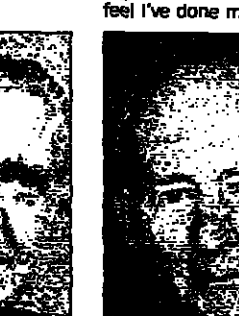
Sir Hector Monro (Dumfries); 72; maj 6,415: "I am retiring because of age. I am thoroughly supportive of the Government."



Sir Cranley Onslow (Woking); 69; maj 19,842: "I shall be 70 next year and I think this is an appropriate age to leave."



Sir Wyn Roberts (Conwy); 65; maj 995: "I've been [an MP] for 25 years; I'm 65. I decided long ago I would retire at this stage."



Sir Trevor Skeet (Bedfordshire N); 78; maj 11,618: "I think the Government is getting too enmeshed in Europe."



Sir Jerry Wiggin (Weston-super-Mare); 58; maj 5,342: "I have no wish to maintain that tradition."



Sir Anthony Durant (Reading W); 67; maj 13,298: "I'm 67 and I think that's long enough for anyone to be in the House."



Sir John Hannam (Exeter); 66; maj 3,045: "A lot of my work involved the disabled and I would like to continue in that."



David Howell (Guldford); 59; maj 12,545: "We seem to have lost the confidence to count on our own enormous strengths."



Michael Jopling (Westmorland & Lonsdale); 65; maj 16,436: "Thirty-one years are long enough."



Sir Michael Marshall (Arundel); 65; maj 19,863: "I want to get back to working in industry."



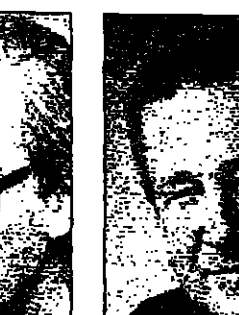
Sir Fergus Montgomery (Atrincham and Sale); 67; maj 16,791: "I just feel that at the age of 70 it is time to stand down."



John Patten (Oxford West & Abingdon); 50; maj 3,539: "I am standing down entirely for family reasons."



Sir Tim Salisbury (Hove); 63; maj 12,268: "Unfortunately we only get the opportunity to retire in four or five-year chunks."



Sir Keith Speed (Ashford); 61; maj 17,359: "I have done 29 years. I would rather go when people are supporting me."



Mark Wolfson (Sevenoaks); 61; maj 19,154: "I was still in business I would have retired a year ago."

هكذا من الأصل

هكذا من الأصل



The average person doesn't need a car with twin
airbags and power steering.

The average person doesn't need a car with a high
level brake light and a coded key pad immobiliser.

The average person doesn't need a car with electric
front windows and three rear three-point safety belts.

The average person doesn't need a car with a
driver's door mirror with built in blind spot eliminator.

The average person doesn't need a car with a six
speaker remote control stereo radio cassette.

The average person doesn't need a car with a
steering column with height and reach adjustment.

The average person has 2.4 children.

THERE'S NO SUCH THING AS AN AVERAGE PERSON.

406
PEUGEOT

THE DRIVE OF YOUR LIFE

THE NEW PEUGEOT 406 FROM £12,595. FOR YOUR FREE INFORMATION PACK CALL 0345 000 406.

*406 1.6L PRICE EXCLUDES ON THE ROAD COSTS OF £585 FOR DELIVERY, NUMBER PLATES AND 12 MONTHS ROAD FUND LICENCE. MODEL SHOWN 406 2.0 EXECUTIVE WITH OPTIONAL METALLIC PAINT AT EXTRA COST.

Peace in Bosnia: Enemies hand over territory on time but Sarajevo suburbs remain a stumbling-block



Street power: Bosnian Serb police patrol the Sarajevo suburb of Ilidza yesterday after being given permission to remain for a few more weeks Photograph: Jacqueline Arz/AP

Serbs stretch land-swap deadline

EMMA DALY
Tuzla

Bosnia's competing armies passed the latest Western peace test at the weekend, pulling out of 1,500 square kilometres of territory to be handed over to the enemy under the Dayton peace plan.

But in the most contentious areas to change hands - five Serb-held suburbs of Sarajevo due to revert to government rule - Bosnian ministers disputed the decisions of the international civilian chief, Carl Bildt, to al-

low Serb police to remain after the 3 February deadline to still the fears of Serbs in the area.

Hasan Muratovic, the Prime Minister, yesterday grudgingly accepted the continued presence of Serb police in the suburbs for a few more weeks, provided they were disarmed. Nato sources said the government would give Mr Bildt a breathing space to draw up a time-table for the transition to full Bosnian control, which comes into effect on 19 March. Under the Dayton plan, all "forces" were to have with-

drawn from the "areas of transition" - such as the suburbs - by 3 February. Mr Bildt and Nato's Implementation Force (I-For) have interpreted "forces" as strictly military - which means the Bosnian government, which has nominal control of the areas, could also introduce policemen. Thus far they have chosen not to make a move that would cause chaos and, potentially, a renewal of conflict.

Since being defeated at Dayton, the Bosnian Serb leadership has fought to keep Sarajevo divided by inflaming the fears of

Serb residents and threatening armed uprisings. It is alleged that they have dressed Serb soldiers as policemen, and ordered a senior Sarajevo Serb official to boycott a meeting on the police issue. The government fears that Mr Bildt's decision will encourage such tactics.

In the face of government protests, I-For agreed to increase its presence in the five suburbs. Security for Serbs, and others returning home across the former front line, is to be guaranteed by I-For troops and officers of the International

Police Task Force. However, fewer than 300 of the 1,600 foreign policemen promised have arrived in Bosnia, and only half are stationed in Sarajevo.

The international police are unarmed, have no right to make arrests or investigate cases, and patrol only in daylight hours. Terrified that the line between the military and civilian aspects of the Dayton accords will blur, I-For emphatically does not want to plug the gap.

Elsewhere in Bosnia I-For's task of monitoring compliance with the deadline has been eas-

ier. The largest chunk of territory to change hands was "the anvil", which came under Serb control. This area in central Bosnia is almost depopulated, save for a Croatian village where the residents were debating whether to stay or leave. Most other non-Serbs had departed.

In Nezuk near Tuzla, Muslim villagers met on Saturday to consider their fate, loath to live with the Serbs they spent four years fending off. They complained that I-For troops could not guarantee their safety, but concluded they had no choice but to stay.

Rifkind pushes for freer trade with America

MICHAEL SHERIDAN
Diplomatic Editor

The Foreign Secretary, Malcolm Rifkind, will claim tomorrow that Britain is "forcing the pace in Europe" for free trade with the United States, and he will demand new moves for economic liberalisation across the Atlantic.

In a speech to be delivered in London, Mr Rifkind will place Britain at the radical end of European policy towards free trade. His message will be unwelcome to significant European partners like France, whose leaders and electorates remain unconvinced of the blessings of *laissez-faire* trade policies.

The speech will cautiously locate Mr Rifkind's thinking towards those on the Tory right who urge the creation of a deregulated, offshore Britain competing in the global market alongside the economic "tigers" of Asia.

Echoing the style of John Redwood, the Foreign Secretary will preach the message that "economic liberalisation begins at home" and praise the Conservative government's moves to cut taxes on business, reduce non-wage labour costs and privatise state industries.

According to a draft of his text, Mr Rifkind will acknowledge that "the seductive arguments for protectionism will not go away" and he will say that "this is a battle - like the battle against inflation - which is never finally won".

The Foreign Secretary has made transatlantic co-operation an important theme of his term in office and this will be his second keynote speech on the subject.

Mr Rifkind is to select three target areas for British lobbying. He wants to see cuts in specific tariffs in the US and Europe that can amount to 48 per cent on footwear, 32 per cent on clothing and 25 per cent on trucks. He will advocate Early Mutual Recognition Agreements to cut barriers imposed by local standards and regulations. He will also criticise "Buy America" legislation in the US which shuts European companies out of parts of the \$900bn (£588bn) transatlantic public-procurement market.

In a bilateral context, the Foreign Secretary also will issue a call for Britain and the US to resume talks on an air-services agreement between them, adopting the basis of the last British offer. The negotiations broke down last year.

Mr Rifkind says Britain wants to see progress by the European Union on measures to reduce tariffs and open up public procurement agreed at the EU-US summit in Madrid last year. He will call for "new political will" to reform the Common Agricultural Policy.

Mr Rifkind will add that the Italian presidency of the EU should accelerate talks on free trade with Canada and Mexico, a prospect that probably will seem unpalatable to the southern Europeans.

Shell-shocked Eurosceptics get the dry facts on lowly molluscs

SARAH HELM
Brussels

As Tory Eurosceptics commence their campaign for the next election, it is no coincidence that takes poking fun at Brussels have started to appear in the British press. The most successful Euro-myth doing the rounds is a report suggesting that the European Union's animal-welfare rules should apply to shellfish.

"Mussels must be given rest breaks and oysters given stress-relieving showers during trans-

portation," said a report in the *Daily Telegraph* last week, citing a European Union directive. Ho, ho, ho, chortled Eurosceptics. "Silly old Brussels."

EUROMYTHS

If the story is true, the European Commission's rules are patently absurd. At the weekend, however, Commission officials were still adamantly denying the report, condemning it as little but a smear by Europhobes. So where did the

report come from? Who spread it, and why?

There is, indeed, a Brussels directive, agreed in 1991, on animal welfare, which sets out regulations for animal transport. The rules say all cold-blooded beasts must be regularly watered and rested. The directive was introduced largely to safeguard against cruelty to livestock, but was widely drawn and a casual glance might suggest it is applicable to all forms of animal life - including shellfish. The annexes are particularly loosely drafted. However, there is a

paragraph in the directive which allows for exceptions. The measures should only be applied "where appropriate to the species concerned".

It is clear that the Commission intended national governments, when adapting their laws in line with EU directives, to use common sense.

Should there ever have been any doubt about the application of the law, a new directive is being introduced that will close the loopholes, specifically excluding shellfish and other species for which the measures would be

"inappropriate". The resting and feeding rules now will apply only to "domestic solipeds, domestic animals of the bovine, ovine, caprine or porcine species".

Inquiries reveal that the shellfish story resulted from remarks by none other than Angela Browning, a junior British agriculture minister. She let it be known to sympathetic ears in Westminster that if it had not been for the British government the Brussels bureaucrats would have happily applied their welfare rules to every species un-

der the sun. It was only because of British insistence that the rules were tightened, Ms Browning asserted. "What is appropriate for transporting sheep is very different from what is appropriate for transporting mussels," she observed - as if the Brussels bureaucrats needed her to tell them that.

This was enough for John Whittingdale, Tory MP for Colchester South and Maldon (home of many shellfish producers) to put out a press release on the issue. The legislation was dreamt up by

"unthinking bureaucrats" and will "threaten the livelihood of large numbers of people", he said. As Commission officials struggled to be heard, his words were widely reported.

What the minister never acknowledged was that Brussels had no intention of applying its livestock rules to shellfish. At worst, there may have been some casual drafting in the original directive. But Ms Browning never quoted the "where appropriate" clause.

The biggest danger presented by the directive, as Ms

Browning well knew, was that, without detailed clarification, some daft bureaucrat in Whitehall would start applying the Euro law too vigorously to everything from shrimps to swordfish, making a mockery (deliberately, some might say) of the whole thing.

The minister also failed to remind people that it was the British government - under pressure from the animal welfare lobby in Britain - that pushed hardest of all EU member-states for the animal-welfare rules in the first place.

From just £30

the RAC

covers you in any car.

From just £30 for a full 12 months' cover, no one offers you more security on the road than the RAC.

■ **RAC Rescue** covers you, not your car. So now you can call on us whenever you need fast roadside assistance, even when you're simply a passenger in someone else's car.

■ **Roadside Rescue.** In more than 8 out of 10 cases, our patrols can fix cars on the spot. Otherwise, they'll tow you to a nearby garage, free of charge.

■ **Accident Service.** A replacement car, free legal advice, plus we'll deal with your insurers.

■ **Theft and Vandalism Cover.** If your car's stolen or can't be driven because of vandalism, we'll remove it to a nearby garage or secure area.

■ **Battery Assist.** A new battery on the spot.

Whatever service you use, callouts and our labour are free - you only pay for parts.

You can also tailor your cover to meet your needs, with the option to take out Joint and Family Cover or add our 'At Home' service.

Don't wait until you break down. Find out how to join the RAC today.

YES - I want to join the RAC.

Please tell me how I can join from just £30*

Mr/Mrs/Miss/Ms

Address

Postcode

Telephone

Send to: RAC Rescue, FREEPOST, Bristol BS38 7AU. (No stamp needed.)

*Rescue costs £30 if you pay by Continuous Credit Card Authority or Direct Debit. Full price is £36 and 18p discount applies to first year membership only. All prices include vat and excludes fuel. Please see agent. Monday - Friday 8am - 8pm, Saturday 9am - 5pm, Sunday 10am - 4pm.

ST0004/SS1821/3/XX



IT SAYS YOU'VE ARRIVED

The COOPERATIVE BANK



In debt? How does 1% a month sound? (12.6% APR variable)

Get a Co-operative Bank Visa Card and you can transfer your existing balance from any other major credit card company at just 1% per month (12.6% APR variable). So, if you owe say £3,000 on a Barclays or NatWest Bank credit card you could save up to £290 over two years.* More good news: we guarantee you will never,

ever be charged an annual fee for your card. Think what that could save you over a lifetime. You don't even have to bank with us. We guarantee to match the credit card limit you currently enjoy. (Our Gold Card carries a £3,000 minimum credit limit.) It's an unbeatable offer, so call us free now.

Guaranteed free for life.

Pay off your existing balance at 12.6% APR variable.

Save up to £290 on your debt.*

Keep your credit limit.

Gold Card limit £3,000.

0800 99 5000

Call free quoting reference no. 72704 or post the coupon

Post to: Visa Card dept., Co-operative Bank p.l.c., FREEPOST (MR8192), Manchester M1 9AZ or phone 0800 99 5000 (24 hours a day, 7 days a week). Please use block capitals.

Full name

Address

Postcode

Phone number

Please tick card interested in ☐ Visa Card ☐ Gold Visa Card

72704

THE BANK MAY DECLINE ANY APPLICATION. CREDIT FACILITIES ARE SUBJECT TO STATUS AND NOT AVAILABLE TO MINORS. CUSTOMERS MUST USE THE CARD AT LEAST 10 TIMES PER YEAR. WRITTEN QUOTATIONS ARE AVAILABLE ON REQUEST. *TYPICAL EXAMPLE IS BASED ON A TRANSFER BALANCE OF £3,000. THE BALANCE IS REPAYED IN FULL OVER A PERIOD OF 24 MONTHS AND PAYMENTS ARE MADE 25 DAYS AFTER STATEMENT DATE. BARCLAYS BANK VISA CARD @ 12.6% APR WOULD COST £275. NATWEST VISA CARD AT 12.6% APR WOULD COST £214. CO-OPERATIVE BANK CREDIT CARD @ 12.6% APR WOULD COST £116. ALL RATES CORRECT AS AT 11.10.94.

هكذا من الأصل

Quake wrecks China's remote tourist jewel

TERESA POOLE
Peking

The picturesque town of Lijiang in south-west China, featured two years ago in the acclaimed Channel 4 series *Beyond the Clouds*, has been hit by the country's deadliest earthquake in eight years, killing more than 240 people, injuring 14,000 and destroying thousands of homes. Last night hundreds of thousands of homeless victims were sleeping in the open in freezing weather for a second night, jolted by aftershocks. The Chinese Red Cross appealed for international aid. The quake, measuring 7 on the open-ended Richter scale, struck the remote region of Yunnan province on Saturday night when many people were at home eating dinner. Lijiang, which is the centre of the 275,000 Naxi minority people, was close to the epicentre of the earthquake. The nearby town of Zhongdian, capital of the Diding Tibetan Autonomous Region, was also badly hit, and last night was cut off from the

outside world, the official Xinhua news agency said. The quake is the second major disaster to hit China within days. Last week at least 120 people were killed when an illegal cache of dynamite blew up in the basement of a five-storey apartment building, wiping out a street in a suburb of Shaoyang city, in Hunan province. The authorities at the weekend named a laid-off worker, He Geng, who they said had stored 28 tons of dynamite in the basement after receiving it in lieu of a debt. Mr He was said to have been running an illegal explosives firm, probably selling dynamite to private coal-mining operators. In Lijiang and the surrounding rural areas yesterday, 2,000 soldiers and teams of doctors were searching the rubble and trying to reach remote mountainous villages. As well as Naxi, the region is home to several other minority nationalities including Yi, Miao, Pumi and Lisu. Lijiang is divided between a

new town and the beautiful Naxi old town, made up of cobblestone alleys, old-style Naxi stone terraced houses, and a system of water channels. About 10 per cent of the old town had collapsed, according to first reports. The *Beyond the Clouds* series, broadcast in Britain in early 1994, told the stories of a group of Lijiang inhabitants, including the old town's "grannies" dressed in the traditional blue and white Naxi costume. The Lijiang valley is popular with foreigners. Xinhua said one unnamed foreign tourist had been seriously hurt. Residents and foreigners were sleeping in makeshift camps in parks and sports fields as the region continued to be hit by aftershocks.



Survivors' misery: Some of the hundreds of thousands left homeless by the earthquake, which struck south-west China on Saturday night

Teenage tycoon earns a place in German legend

IMRE KARACS
Born

In a land where conformity is a virtue and life is reduced to a steady progression along a carefully mapped-out career path, Lars Windhorst is something of a prophet. Even the German business press, enthralled by the wunderkind's fabulous talent for making money, cannot resist a few jibes. "Barbie doll in a pin-stripe suit," was how one magazine described the 19-year-old tycoon who has turned his father's garage into the nerve centre of a global empire. But among his peers in German industry, the teenager is a living legend. Myths abound of the boy who perused the stock market reports instead of comics at junior school. By 10

LOCAL HEROES : 2

to persuade bank managers that Lars was a serious proposition, and had to sign all the cheques, a task forbidden under German law to those under 18. Despite the credit squeeze and all the bureaucratic hurdles, the cottage industry mushroomed within three years into a worldwide concern, with offices in New York and Hong Kong, interests in real estate, computers, advertising and business consultancy, and an annual turnover of DM250m. The Windhorst empire's centre is now shifting from Rahden to the Far East. In Vietnam, there are plans in Ho Chi Minh City for a 55-storey Windhorst Tower, destined to be the emblem of this "one-man economic miracle" — as he is described in the Hong Kong press. His knowledge of the Far East scene has earned him guru status, so much so that when Chancellor Helmut Kohl recently toured the region, Lars was the leading luminary in a government delegation packed with captains of industry. He is the sort of young entrepreneur Germany needs, Mr Kohl said: "Eighteen-, nineteen-year-olds who don't count on their pensions, but follow their dreams, take risks and go out into the world." The Chancellor and the German business world are expecting great deeds from their teenage entrepreneur. This week he is due to meet Bill Gates, the founder of Microsoft, who had the monopoly on preocious capitalism before Mr Windhorst came on the scene. There is talk of a link-up between the two, provoking fives from the press about the dawn of a "nerds' world". Whether German youth would emulate him, as Mr Kohl hopes, is doubtful. Mr Windhorst's social skills with people of his own age seem somewhat limited and, it is rumoured, he dilutes his beer with Coke.



Windhorst: Wunderkind

he is said to have started dabbling in shares, at 14 he began tinkering with computers. Soon he was writing software and building computers in the family home in the small town of Rahden in northern Germany. That was when he discovered the limitations of the domestic industry and globalised his operations. When he was 15 he flew to China to buy cheap computer components, which were then assembled by his schoolmates and sold in his father's stationery shop. A year later he dropped out of school and went into business with a Chinese entrepreneur based in Germany. At first the local banks refused him credit. His father had

IN BRIEF

German states object to tax cut

Frankfurt — The German government's plans to lower the unpopular "solidarity tax" ran into trouble at the weekend when the heads of all 16 German states objected to finding the cash to plug the gap. The government said last week that it wanted to cut the tax — a surcharge on income tax to finance reconstruction in eastern Germany — to 5.5 per cent in mid-1997 from 7.5 per cent. The states, it suggested, should provide three-quarters of the expected DM4bn (£1.8bn) shortfall in revenue. *Reuters*

Rioting soldiers promised pay rise

Conakry — President Lansana Conte of Guinea took over as defence minister yesterday in an effort to calm rioting soldiers who killed at least 30 people over the weekend. In a speech read on state radio, Mr Conte told the soldiers they would get a pay increase in March and promised them better food rations. *AP*

Tajik leader tries to placate rebels

Dushanbe — Desperate to avoid civil war, Tajikistan's leader sacked officials to placate rebels trying to advance on the capital from two sides. President Emomali Rakhmonov dismissed his first deputy prime minister, chief of staff and the leader of a southern region. *Russian news agencies reported.*

Bomb suspect arrives at Jeddah

Dubai — A Saudi national wanted for the 13 November bombing of a US-run military training centre in Riyadh, in which seven people were killed, has arrived at the Saudi port of Jeddah after being deported by Pakistan on Thursday, officials said. Five Americans and two Indians were killed in the explosion. *Reuters*

DAEWOO THINK THAT DELIVERY CHARGES AND OTHER EXTRAS ON A NEW CAR ARE RIDICULOUS.

Often what car manufacturers say is not what you pay. What they show you is the list price. That is the price of the car not including any of the 'extras'

you'll need to actually drive it. 'Extras' like delivery, number plates, road tax and fuel. Little details like these are hidden away at the bottom of the page in tiny type and can set you back a hefty £500 or more. They are charging you around £450 for delivery alone. 'What Car?' says this can cost as little as £110. Daewoo says it's time it was scrapped and 'What Car?' agrees. We have always included delivery, number plates, 12 months road tax and a full tank of fuel as standard.

We also include:

- 1). 3 year/60,000 mile free servicing including parts, labour and courtesy car.
- 2). 3 year/60,000 mile comprehensive warranty.
- 3). 3 year Daewoo Total AA Cover.
- 4). 6 year anti-corrosion warranty.
- 5). 30 day/1,000 mile money back or exchange guarantee.
- 6). Metallic paint. 7). Electronic ABS.
- 8). Driver's airbag. 9). Side impact protection.
- 10). Power steering. 11). Engine immobiliser.

Depending on the model you choose, this will cost you between £8,445 and £12,895 for the 3,4 and 5 door Nexia and the Espero saloon. If you want to find out more then call 0800 666 222 or write to Daewoo Cars Limited, PO Box 401, Kent BR5 1TG.

No extra charges? No catches? No small print? That'll be the Daewoo.



Stricken Ronald Reagan will miss his 85th birthday party

TIM CORNWELL
Los Angeles

When the legendary Chasen's Restaurant, a symbol of the old Hollywood mystique, reopens briefly tomorrow for Ronald Reagan's 85th birthday party, his favourite food - chicken pot pie and a coconut-chocolate ice cream concoction - will be on the menu. Assorted Hollywood old-timers and Washington

politicians will be there. But not the former president: a year ago he announced he had Alzheimer's disease and has made no public appearance since. Nancy Reagan will represent her husband at the party, a \$1,000-a-plate (\$660) fundraiser for the Reagan Presidential Foundation, in the restaurant where he proposed to her when they were both young actors.

Although he goes to his Los Angeles office regularly, plays golf and chops wood on his ranch, Mr Reagan sees few people outside a close family circle. It is in his office that he relates best to the outside world and seems most positive, associates say. At other times he suffers memory lapses, failing to recognise close friends and familiar places.

Though the family have wrapped a cocoon of privacy around him, there are occasional sad glimpses. In April Mrs Reagan told a friend that one day her husband saw the White House on television and could not remember living there.

In November she announced establishment of the Ronald and Nancy Reagan Research Institute (to study Alzheimer's). Mr Reagan's mother is believed to have had the disease. After

Ronald was born in Tampico, Illinois, on 6 February 1911, his salesman father, John "Jack" Reagan, said: "He looks like a fat little Dutchman. But who knows? He might grow up to be president some day."

Ironically, the Reagan political legacy has never seemed stronger. Dogged as he has been by questions about his age and energy, the Republican presidential front-runner, Bob Dole, has struggled to deliver what Mr Reagan could boast of in spades: vision.



Reagan: Alzheimer's victim

New Hampshire: Pat Buchanan is back with a populist tinge to his fiery conservatism, but this time the message is not so new



On the stump: Buchanan, promoting himself as 'the defender of working Americans' Photograph: Mark Peterson

Republican radical struggles for lift-off

DAVID USBORNE
Merrimack, New Hampshire

There are few among the voters of New Hampshire who are ambivalent, it seems, about Patrick Buchanan. There was the Nashua lawyer who simply stuck a finger down her throat and the fashion retailer in Derry who called him a "dictator". Others, such as Michael Faella, a school teacher, or Bill Weiss, a retired engineer, will hear of no other candidate. His campaign slogan is theirs: "Go Pat Go".

That he elicits such passion would doubtless please Mr Buchanan, a former aide to Presidents Richard Nixon and Ronald Reagan and, in more recent years, a political commentator who co-hosts a nightly programme on CNN television. His supporters say he alone in the race for the Republican nomination consistently speaks his mind without flinches and evasions. Indeed, Mr Buchanan rarely pulls his punches.

And the message is radically conservative. He once labelled Aids as nature's "awful retribution" against homosexuals and has suggested that fire-bombing abortion clinics is no more grave a crime than the act of abortion itself. At the Republican National Convention in Houston in 1992, he appalled party moderates with his portrayal of a "cultural war" in the US between liberals and conservatives.

When he contested the New Hampshire primary election four years ago, Mr Buchanan had the attention of the nation. He was challenging President George Bush for the nomination, accusing him of having reneged on a promise not to raise taxes. His cheek, and the conservatism of his platform, opened a schism in the party that ultimately helped to hand the White House to Bill Clinton that November.

New Hampshire rewarded

THE US
PRESIDENTIAL
ELECTIONS '96

Mr Buchanan with an impressive 37 per cent of the vote in 1992. Long after it had become clear in the primary process that the nomination could never be his, he persisted in tormenting Mr Bush because, he said, he was having too much fun to stop.

Now Mr Buchanan is back, looking more pudgy and more weary than last time, but no less fiery in his rhetoric. He was energised last week when a straw poll in Alaska gave him first place over Steve Forbes. Bob Dole and the candidate nearest to him ideologically, Phil Gramm of Texas. Tomorrow, he

and Senator Gramm are due to face off again in Louisiana, in the first caucus vote of the campaign. Because Louisiana sends few delegates to the national nominating convention, only he and Mr Gramm have seriously campaigned in the state.

His old 1992 stalwarts in New Hampshire are likely still to find satisfaction when they hear Mr Buchanan on the stump. Many of his themes have not changed. He remains forthright in his neo-isolationism, demanding that the US ditch its free-trade agreements and turn its back on such global organisations as the United Nations and the World Trade Organisation.

Thus, in a speech inside New Hampshire's State Capitol building last week, Mr Buchanan declared: "I see the institutions of world government growing up - the UN, the World Bank, the International Monetary Fund, the World Trade Organisation - and I see the United States giving up its own sovereignty. I give you my word that the moment I raise my hand to take the oath of office, that new world order comes crashing down."

He is similarly extreme on immigration, proposing a complete moratorium for five years. To discourage illegal immigration, he would build a fence the length of the country's southern border and defend it with soldiers. He also would end development aid to foreign

countries, which, he says, have become like welfare recipients, hooked on hand-outs.

Some things are different for Mr Buchanan this time, however. He is not alone, taking on a sitting president of his own party, as he was four years ago, but is one among a field of candidates, many of whom are sporting equally conservative colours. Worse, he returns to New Hampshire as a known quantity and, therefore less appealing.

And in one intriguing respect, Mr Buchanan has changed too. Overlaying his conservatism now is a strikingly populist pitch. He portrays himself as the defender of working Americans - "the people who work with tools and machines and their hands" - and chastises corporate America for putting the bottom line and their shareholders before their workforces. Among his favourite targets is AT&T, which last month announced plans to lay off 40,000 people - and sent the Dow Jones index soaring.

Mr Buchanan has only the dimmest chance of actually securing the nomination, let alone the presidency. As long as he remains in the campaign, however, he has an opportunity to nudge his party in the direction in which he wants it to go and to lacerate Mr Clinton along the way. And he is, we have to presume, having fun again.

Second Section: On the campaign trail with Forbes

Central America may be a health hazard for the Pope

PHIL DAVISON
Latin America Correspondent

If Pope John Paul wanted to test his health after the illness that curtailed his Christmas Day greeting, he could hardly have chosen a more challenging itinerary. He is due in Guatemala City today at the start of a visit that will also take him to Nicaragua, El Salvador and Venezuela by next weekend.

The last time he visited Guatemala, in 1983, General

Efraim Rios Montt, then the military ruler, "welcomed" him by executing six suspected leftists for whom the Pope had called for clemency. In Nicaragua during the same trip, the ruling Sandinistas heckled the Pope and interrupted a speech.

Now, tension is high in Nicaragua after the bombings of 18 Catholic churches, an attempt to assassinate a presidential candidate and last week's brief but dramatic occupation by armed students of

the Foreign Ministry in Managua, site of the press centre for the Pope's visit.

In El Salvador, the Pope is under attack for appointing the conservative Fernando Saenz Lacalle, a member of the Opus Dei movement, as Archbishop last year. That ended a tradition of liberation theologians, including Archbishop Oscar Arnulfo Romero, who was murdered by a right-wing death squad in 1980.

Progressive Catholics are

angered that John Paul will not visit the graves of six Jesuit priests murdered by soldiers in 1989.

In case all that is not enough to give the Pope a headache, a riot broke out on Saturday in a prison he is due to bless in the Venezuelan capital, Caracas. The riot left him with one fewer inmate to bless.

The Pope will base himself in Guatemala until Friday, making trips to Nicaragua on Wednesday and to El Salvador on

Thursday, before spending the weekend in Venezuela.

On his 69th trip as Pope, and his first since his Christmas bout with flu and food poisoning, John Paul hopes to seal peace and reconciliation in Central America, wracked by civil wars - in which half a million people died - the last time he visited. But a key underlying mission, according to priests in the region, is to try to stem an evangelical Protestant upsurge threatening his Church from Ti-

juana to Tierra del Fuego.

In Guatemala, 100 per cent Catholic a generation ago, up to 30 per cent of the 10 million population are now thought to be members of evangelical churches or sects, often backed by US funds and bolstered by jazy US-style TV services.

While Guatemala is the only Central American nation still faced with a guerrilla war, the leftist guerrillas have pledged a ceasefire during the Pope's visit "as a gesture of respect".

It is in Nicaragua where fears for his safety are greatest. While President Violeta Chamorro, who defeated the Sandinistas in a surprise landslide election victory in 1990, is a devout Catholic, Nicaraguans recall the dramatic 1983 incidents in which the Sandinistas sought to embarrass the Pope - probably the first and only time a host government has done so.

Many Nicaraguans believe the Sandinistas, who will seek to regain power next November,

possibly with former President Daniel Ortega as their candidate, were behind the 18 church bombings over the last nine months, most recently last Christmas Eve and New Year's Day. No one was injured.

Some of the students who occupied the Foreign Ministry last week, disrupting the accreditation process for the Pope's visit, were wearing the red-and-black bandannas of the Sandinistas as police evicted them.

Free Ski Pass worth up to £328

plus ski holidays to be won with the **THE INDEPENDENT**

If you have been waiting for the best deal before booking your ski holiday, you've just found it. We've teamed up with Bladon Lines to offer readers of The Independent and the Independent on Sunday a very special deal. If you book a chalet or chalet hotel skiing holiday with Bladon Lines before the end of the season you will receive a free ski pass worth up to £164 for one week or £328 for two.

With snow conditions improving throughout the Alps and the advantage of this terrific money saving offer, you are bound to have a great holiday. Now is the time to book.

Bladon Lines is a specialist chalet tour operator, a concept which has proved a real winner with British skiers. Bladon Lines operates over 100 chalets throughout the Alps and has an excellent reputation for quality and service. Flights depart from nine UK airports and most resorts offer a free ski guiding service.

Chalet holidays represent superb value for money, specially trained chalet girls provide all guests with a cooked breakfast, packed lunch, afternoon tea with cakes and a three course evening meal with complimentary wine during dinner.

HOW TO QUALIFY

Simply collect five differently numbered tokens from the seven we will be printing up until Saturday 10 February. Then present them to Bladon Lines or your local travel agent when you book a chalet or chalet hotel holiday from the

Bladon Lines 1995/96 brochure, including the following top resorts: Zermatt, Verbier, Val d'Isere, Tignes, Meribel, Courchevel, Deux Alps and Serre Chevalier. In return, Bladon Lines will arrange a free ski pass for each member of your party. Yesterday in the Independent on Sunday we printed Token 1, today we are printing Token 2.

HOW TO BOOK

• Select the resort that you would like to travel to from the Bladon Lines 1995/96 brochure.

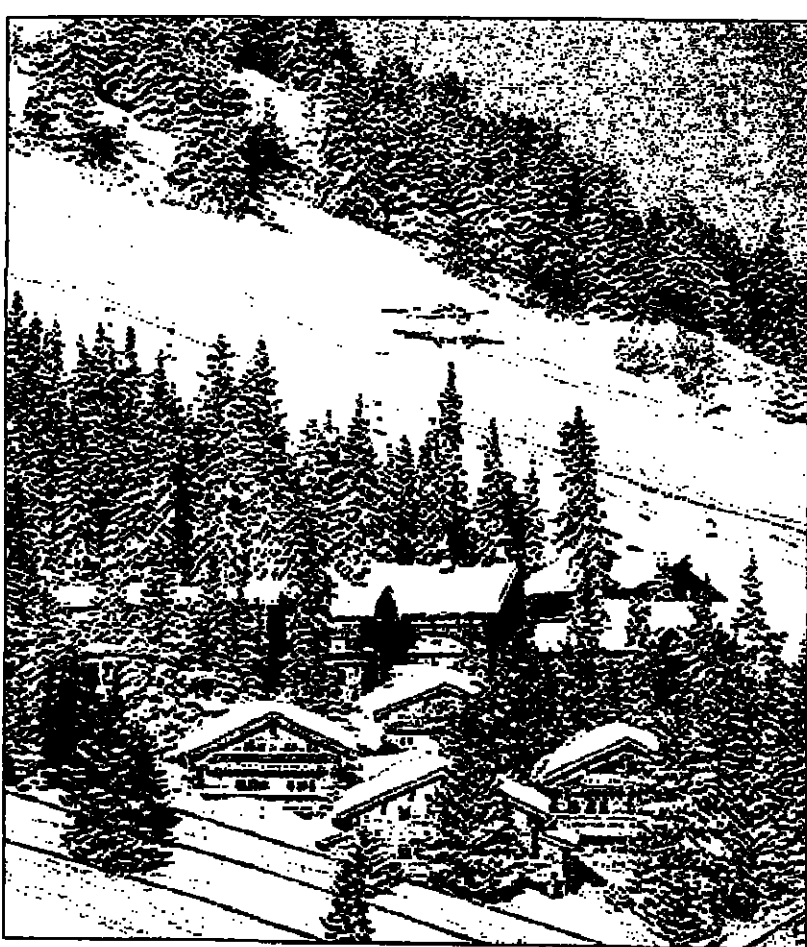
• To make your booking call the Bladon Lines/Independent Ski Line on 0181 780 8860 or go to your local travel agent and identify yourself as a holder of "Independent/Bladon Lines Free Ski Pass" tokens and state your preferred resort. You will then be given a selection of chalets or chalet hotels to choose from.

• Your holiday availability will then be checked and the booking price confirmed.

• Your five differently numbered tokens must then be sent to Bladon Lines with your deposit and the booking form from your brochure to qualify for your free ski pass.

Bladon Lines will arrange your free ski pass and will send you tickets to you two to three weeks before the date of your departure.

BLADON LINES



Courchevel, France

Win a ski holiday every day this week

Today you could win a seven day holiday for two to Courchevel, France including flights and accommodation. Courchevel was the first of the post-war generation of purpose-built French resorts and, in the view of many discerning skiers, it remains the best and most complete. Snow conditions are reliable and backed up by extreme snow-making and piste grooming. There is varied skiing for all standards and efficient lifts to link up with the rest of the 600km Trois Vallées lift system, the biggest and best in the world. One of Courchevel's trump cards is excellent skiing below the main resort.

To enter our competition simply answer the following question by calling our competition line on 0891 252 699 and leave your answer, name, address and telephone number.

Question: Which major resort lies in the neighbouring valley to Courchevel?

Calls cost 39p per minute cheap rate, 49p per minute at all other times. The winner will be picked at random from all correct entries after lines close at midnight tonight. Normal Newspaper Publishing plc rules apply. The Editor's decision is final.



TERMS AND CONDITIONS

1. This promotion entitles you to one free ski pass with five differently numbered "ski pass" tokens when booking a chalet or chalet hotel holiday from the Bladon Lines "Ski Brochure 1995/96". At this stage of the season some resorts are booked up, the following resorts have been suggested for greater availability: Zermatt, Verbier, Val d'Isere, Tignes, Meribel, Courchevel, Deux Alps and Serre Chevalier.

2. Photocopies of tokens are not acceptable.

3. Only one application may be made per booking.

4. This offer is valid for bookings until 21 April 1996 and bookings must be made by 30 March 1996.

5. All bookings are subject to availability.

6. This offer is only available with holidays booked at brochure price and may not be used in conjunction with any other promotional offer and does not apply to bookings already made with Bladon Lines.

7. Any queries should be directed to the Bladon Lines/Independent Ski Line on 0181 780 8860.

8. Dates of travel for ski holiday passes are subject to availability.

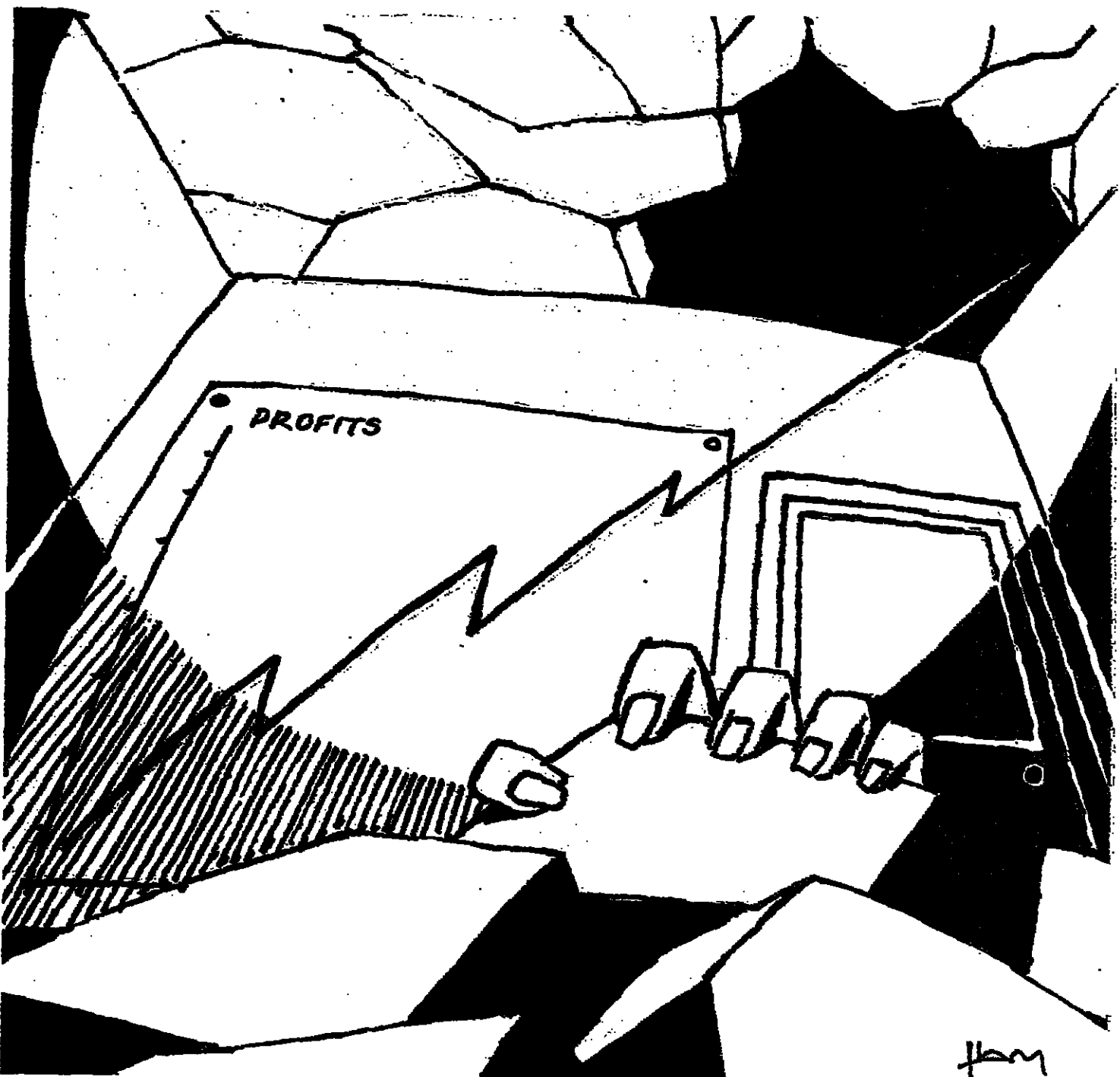
ski pass token 2

THE INDEPENDENT

كلنا من الأصل

The enterprising stakeholder

Critics allege that Tony Blair's stakeholder economy would let the unions into power by the back door. Wrong, says **Christopher Hampden-Turner**, one of Britain's leading management consultants. He argues that stakeholding should be the foundation for a new enterprise culture



Rorschach's famous inkblots are projective tests of one's own psyche. You say what you think they mean and reveal your imagination, or lack of it. It is a crucial aspect of modern leadership not to spell things out too precisely. Like the oracle at Delphi, you need supplicants to think for themselves. Arguably, the Stakeholder Society is genuine only if we join together to give it meaning.

Stakeholders include at least five parties: employees, shareholders, customers, community and the Government. Wealth is created when all five work effectively together. Indeed we, or harmony, among the five is the chief value that Singapore proclaims and achieves. The stakeholder vision is not of one "holder" dominating others, nor of parties forced into a sullen, corporatist compromise, but of shared problem-solving.

By now we are nearly all agreed on what went wrong in the Seventies. One of the stakeholders, the unionised employees, gained their wages not by co-operating effectively in the production process but by shaking down other stakeholders, the community, the shareholders, even the Government.

downsize, we see that these are typically rewarded by a jump in the share price. This enriches immediately both shareholders and "shareholders' representatives" in top management, who hold shares, or options or both. Now, if the jump in the share price was the result of considered judgements that the corporation was overmanned, we could not reasonably object. Unfortunately, the price jumps for another reason, because a sizeable chunk of the wage bill is now available for distribution to shareholders.

There is a distinct lack of evidence that downsizing helps the corporation in the long term. Most of the available evidence from the United States points in the opposite direction. Surveys conducted by Wyatt & Co for the American Management Association show that 56.5 per cent of 547 downsizers failed in their objective of improving operating profits; a majority had to rehire within the year, stress-related illness jumped, and complaints from customers increased.

By the time the emaciated chick-accountants in improved service. Indeed, given the current spate of lay-offs, good service is a vanishing art. American banks, for example, have started to charge customers extra for using cashiers.

A third way of moving money from other stakeholders is via takeovers, mergers and acquisitions. These grew astronomically during the Eighties and they mostly rob Peter to pay Paul. In the recent battle between Forté and Granada, for example, each had to promise the shareholders larger payouts. Inevitably, much of this money will come from employees, already low paid, who will now earn even less, and from customers, who will pay more.

Takeover targets (ICI, Pilkington) are often those who have put aside "patient money" to improve employee education, buy new equipment, improve quality and develop new products. All these pay off in the long term. But corporate raiders offer this money to shareholders now, and too often they bet on the outcome of the fight, thereby abetting the takeover process. We search for the "quick buck", oblivious to the fact that real wealth is created by "slow bucks" and by stakeholders who trust one another and learn together.

The Victor Company of Japan invested an estimated \$3bn (£2bn) over eight years to develop the video-recorder into a consumer item. Britain lacks capital that is cheap enough, patient enough and plentiful enough to develop world-class technologies. A nation that believes that £1m worth of potato chips, casino chips and microchips are of equal value is crunching not just numbers but its own brains. An economy is not a horse race in which we "pick winners" but a living system informed by products such as microchips, which improve hundreds of other products while teaching every person they touch.

The logic of profit has driven out the logic of learning. As the fate of the Hanson Trust has shown us, those who deal in companies cannot grow companies. They have neither the patience nor the skills. If investments are designed to pay off over seven years, this leaves the investor helpless to meet a bid for his assets next month. How many prime-site corporate HQs would not earn more as hotels? But this does not mean that we should sell the central nervous system of our economy.

The truth is that for really successful industries, shareholders come last. This is a quote from the 1943 Credo of Johnson & Johnson, the US pharmaceutical house. The irony

is that this company has earned more for its shareholders over the last half-century than any other. By "last", J&J does not mean "least important". It means last in time. Not until employees, encouraged by managers, have served customers and customers have given money can the shareholders get their whack. Where shareholders invest in other stakeholders they must wait for them to succeed, benefiting themselves in the process.

That way we all get richer, shareholders, too. But we get poorer if shareholders jump the queue and divert money destined for others. As Michael Porter, the US-based analyst of what makes economies and companies competitive, recently pointed out, the UK financial community over-harvests, giving too little investment and demanding too much, too soon.

For we have fatally misread the success of the Asian tigers. We attribute this to their low government expenditures, less welfare, compliant workforces and absence

of regulations. Yet this happens not because government does less, but because corporations do more for their people and are repaid by ever-improving work. Moral debt looms large in these cultures. The company supplies a free bus service, so workers devise some cost-cutting scheme to repay the favour, whereupon the company builds day-care centres and workers are spurred afresh. Reciprocal benefits escalate on each side. As a result, there is less for government to do.

I remember visiting Intel, the microchip and computer processor manufacturer in Penang, Malaysia, where the Pentium processor is made. The managing director, a Chinese Malaysian, explained how he had started an in-house shop. Why? "To save time," he explained, "but also to generate profits, which we used to start the Credit Union. Now we have taken the capital in the Credit Union and invested it in low- and medium-tech corporations in this area."

so that any employee who has worked loyally for us but cannot learn the trigonometry needed for Pentium production can be out-placed in a company that our union partly owns. We find jobs for everyone."

We were standing in the middle of a flower garden, which was also the day nursery. The children were learning English: "Good morning, visitor!" they chorused. Managers' children are educated at cost, technicians' at half-cost, workers' children are educated free. In the background was the Adult Activity Centre, which welcomes the families and guests of employees. Intel won the 1993 prize for the Most Caring Corporation in Malaysia. All nominations are from the community only.

However, there are coercive aspects as well. The managing director was told that one of his chief suppliers was seen during the week at the Turf Club. "I looked up his donations to local schools. They had fallen well behind the ratios we had agreed. I asked him for a chat. He is still our supplier and he is doing

his share in building the education infrastructure that this area needs. We no longer see him at the races."

The Malaysian economy grew at a rate of about 8 per cent per annum between 1993 and 1996. Neighbouring Singapore has overtaken the United States in GDP per capita. A about \$30,301 per annum it is \$10,000 higher than in the UK, its recent colonial master. On its present trajectory, Singapore will overtake Switzerland as the century turns to become the wealthiest economy in the world.

Here is an "enterprise culture" that is also a "stakeholder economy". Yet the next UK election will almost certainly feature the advocates of each system pelting each other with mud. That is the measure of our present failure.

The writer is senior research associate at the Judge Institute of Management Studies at the University of Cambridge, and is the author of 'The Seven Cultures of Capitalism', published by Plunkett.

We search for the 'quick buck', ignoring the fact that real wealth is created by 'slow bucks'

ens have come home to roost, shareholders have long since moved their money to another hen-house. Even the managing director and his share options are likely to have moved on, leaving the Anaemic Organisation behind him.

The problem is that shareholders, like the unions before them, profit not simply through the contributions they make to the work of other stakeholders, but in part at the expense of other stakeholders and industry generally. But this is failing for the same reason as predatory unions fail, because all stakeholders are needed to create wealth.

A second symptom of our troubled relationships among stakeholders is competing against consumers. The City puts, say, clearing banks under strong pressure to raise their returns and so they start to compete less with each other than with their own customers. It is far easier to claw back a few millions from innumerate customers than to beat another set of professional



Glowing Gowrie

Despite a public show of unity, there is considerable ill-feeling between Arts Council chairman Lord Gowrie and Heritage Secretary Virginia Bottomley at present. Ironically, the bad blood has been created by the very thing which was supposed to draw them together: the new "current package for the arts" which includes the allocation of lottery funds to up-and-coming



Lord Gowrie: 'fuming'

talents in the arts and sports world and to prevent theatres and orchestras from closing. The brains behind the scheme was Gowrie and not Bottomley. He, rather ingeniously (one might say audaciously), found the money by claiming that the Arts Council was owed £4.3m from the lottery because of the overtime his staff had put in working on processing the grants. Gowrie had been due to announce his lottery windfall alongside the council's routine grant allocations on 25 January but, real-

ising its PR value, Bottomley suddenly called a press conference three days before. "It has been possible," she announced, "to make a change in the way calls are made on the Arts Council's lottery fund."

Sources close to Lord Gowrie tell me he is fuming at having his thunder stolen: relations between him and Mrs Bottomley are notably cool, and she is unlikely to partake of the fine wines in the Arts Council cellars in the near future...

Pooping snooping

MIS's next recruitment campaign can give the Nottingham headquarters of Raleigh Cycles a miss. As would-be spies, the Raleigh management are several miles away from claiming the yellow jersey.

After an act of vandalism in one of the rooms at the HQ, Raleigh management decided to install video cameras in the small, indeed the smallest, room. As staff repaired to the lavatory, their every movement was captured for posterity on film. All too inevitably, the cameras were spotted, civil rights groups were alerted, and Raleigh was told in no uncertain terms that it was in breach of multifarious employment and civil rights codes.

To add insult to injury, the vandal did in fact reoffend while the video camera was in situ. The management eagerly rewound the tape - only to discover that it had run out just seconds before the vital moment.

Off the ball, 'Times'-style

If I were a sub-editor on the Books pages of the *Times*, I would be all of a tremble. Peter Jay, formerly our man in Washington and now the BBC's economics editor, is unamused by the unintentional distortion of his prose in a review of the new biography of Aldrich Ames, America's most famous double-agent. When the copy was sent in, part of it read: "Ames was a drunk; not neither that nor his upbringing by a CIA father, another failure, who talked to his son about the KGB and Communists rather than the Redskins, provides any fatal flaw driving this tragic farce..."

The *Times* sub clearly is no expert on American football. "Redskins" refers to the Washington team of that name - she, alas, thought it a politically incorrect description of a race. In the *Times*, therefore, the sentence read: "... the KGB and Communists rather than cowboys and Indians..."

Mr Jay will be even less pleased when I reveal that the unfortunate sub-editor is an American.



Politically incorrect players?



The House heart-throb...

Pride and Opera

The trade journal *Arts Management Weekly* reports that the same aesthetic ladies who swooned over Mr Darcy in the BBC's *Pride and Prejudice* are hooked on *The House*, the Royal Opera House, and have fallen in love with the ROH's affluent, ruthless and elegantly bald marketing director, Keith Cooper.

I am not sure I can quite believe this. I think it more likely that this time it is the male viewers who are doing the swooning. The object of their fantasies is, I suspect, the steely-eyed, demanding, but soft-centred chairwoman of the ballet board, Baroness Blackstone.

When Tessa looks Jeremy in the eye and castigates him: "This is a sorry tale of incompetence", a million hearts quiver. Jeremy Isaacs, smiling benignly while the world around him crumbles, is a perfect Mr Bennet.

And Sir Angus Stirling, the ROH chairman, imagining



... and the serious Sir Angus

that the earth will shake, or indeed that anything will be done at all, whenever he says, "I take a serious view of this", makes a highly amusing cameo. Nevertheless, I believe it is the domineering Tessa Blackstone who will feature on the BBC posters.

Air miles for MPs

The arduous workload of our underpaid MPs, part 3. My story last week expressing surprise that honourable members fly from Manchester to London on parliamentary duty instead of using the train provokes a call from an airline worker. Don't be surprised, he tells me. There is a good reason why MPs - and he says there are many of them - use internal flights. They can collect executive points, and then take their families on nice free summer holidays.

How silly of me not to realise.

THE INDEPENDENT PREMIUM BOND CHECKLINE

There is £12 million worth of Premium Bond prize money waiting to be claimed, hundreds of thousands of unpaid numbers exist. Do you hold a winning bond? Dig out your old bonds and find out by calling:

0891 111 924

Calls cost 39p per min, cheap rate, 49p per min at all other times. A Product of TIM Ltd, 4 Selsdon Way, London E14 9GL

Eagle Eye

THE INDEPENDENT

FOUNDED 1986

ONE CANADA SQUARE CANARY WHARF LONDON E14 5DL
TELEPHONE 0171-293 2000/0171-345 2000 FAX 0171-293 2435/0171-345 3436

EDITOR: Charles Wilson

ASSISTANT EDITOR: Charles Leadbeater MANAGING EDITOR: Colin Hughes
SECTION TWO EDITOR: Simon Kalner SATURDAY EDITOR: David Robson
EXECUTIVE NEWS EDITOR: Michael Williams NIGHT EDITOR: Richard HaldridgeNEWSPAPER PUBLISHING PLC, BOARD OF DIRECTORS:
Liam Neill (Chairman) Lord Borrie Ben Bradlee Juan Luis Cebrian Brendon Hopkins
David Montgomery Javier Diaz de Polanco Cornel Riklin Andreas Whittam Smith
ADVERTISING DIRECTOR: Jeremy Reed

No sympathy for Tory deserters

John Major's revival in the past two weeks suggests the Tory ship may not be about to sink after all. But a lot of the rats are not hanging around to find out. More than 50 Conservative MPs have announced that they will not be fighting the next election. And more could join them before polling day arrives.

Of course, every MP has his or her own reasons for retiring. Some feel they are too old. Others may genuinely want to spend more time with their families. Many younger MPs may want to earn more money working in business.

However, this diversity of individual reasons for MPs wanting out cannot distract from the discontent and disillusion that departing MPs feel as they tramp the corridors of powerlessness so familiar to backbenchers. Emerging from their bubble is a commentary not just upon the dire state of the Tory party but also the malaise in our political system.

Underlying the tales of Westminster weariness and blighted ambition is a widespread fear of opposition: no chance of red boxes, no prospect of promotion, no influence upon ministers. Ambitious middle-aged junior ministers are suddenly realising that their career trajectory will be curtailed unless they find another job quickly. Boundary changes and the Tories' flagging performance in the polls means that some of these MPs will be looking for new jobs anyway.

In one sense, the exodus is an unremarkable admission that politics is becoming ever more a career. And, like other careers, people need to be able to switch around. Politics needs to be refreshed by people moving in and out of it, bringing back to it ideas and skills learnt in the out-

side world of real life. Yet in another sense, the exodus – and the desperation which accompanies it – must be very bad news for the Conservatives. It looks as though many in their ranks believe they are already defeated. The voters would respect and trust the younger ones far more if they stood and fought rather than running at the first hint of defeat.

More significant is the loss of older MPs, who can recall a time when Tory politics was about community, church and country, without being divisive, shrill and xenophobic. They are likely to be replaced by brasher, younger types, drawn from the City, advertising and estate agencies, brought up politically with Margaret Thatcher and with no memory beyond her. That will tilt the balance of the party further away from the centre-left traditions which it needs to keep hold of if it is to command the centre ground of politics.

Periods in opposition are as vital to democratic politics as periods in power. Time spent outside government should allow intellectual renewal, the discovery of new ideas and political visions. No party needs this more than the Tory party as it drifts listlessly from one short-term crisis to another, with the odd fleeting victory in between.

Labour, by contrast, is finally reaping the rewards of a painfully slow, partial and still far from complete political renewal. The Tories should learn from that and be ready to make opposition a more fruitful experience. Conservatives should not be leaving politics, they should be readying themselves to engage in it in the most energetic way: arguing, debating, proposing, not running for cover in the City.

There will still be life after Yeltsin

Boris Yeltsin has been the midwife of political and economic reform in Russia. He has deserved the West's support. But the time is approaching, possibly quite fast, when the West may have to reconsider its reliance upon him.

The news from Russia, it seems, is unimpeachably bad. In December a largely unreconstructed Communist Party triumphed over liberal reformers in parliamentary elections. Then as many as 200 people died in a mismanaged attempt by President Yeltsin's forces to crush hostage-taking Chechen separatists. Next, the last remaining liberals, including the foreign minister, the minister for economic reform and Mr Yeltsin's chief personal assistant, were kicked out of the Kremlin and replaced by sour-faced hardliners. From the point of view of the West, increasingly nervous about the outcome of the presidential elections in June, can matters get any worse?

Yes, they can. Nothing but disappointment can result from a policy of backing one Russian horse in an election whose outcome the West has few means to influence. It is not just that Mr Yeltsin is patently no longer the embodiment of radical change and civilising values that we thought he was in his heyday from 1989 to 1992. It is far more a question of being realistic about what sort of Russia we can live with.

Our overwhelming interest is that Russia should act as a responsible international power, abiding by arms control treaties, not threatening its neighbours, and helping rather than hindering the

West in areas of joint concern such as former Yugoslavia. For that type of Russia to take shape, market-based economic reforms must flourish and democratic values have to underpin domestic politics.

The Western-educated liberal reformers, who are the most articulate proponents of such a society and who are so favoured in the West, are being ousted from power. Their weakness may slow reform but it is unlikely to halt it.

Russia's transition from a command economy to a market system, however corrupted by gangsterism and the lining of official pockets, would be extremely difficult to reverse. As for the quality of Russian democracy, it is hard to see why Mr Yeltsin's brutal crackdown in Chechnya entitles him to special favours. His credentials as a democrat are not unquestionable. On the international scene, his hostility to Nato's cautious efforts to incorporate some central European countries is no different from what we could expect from a Communist or nationalist president.

The dividing line between Mr Yeltsin and the opposition is growing more blurred. He may either be defeated by a new Communist in the June elections or become more like one himself. That a leader such as Viktor Chernomyrdin, the prime minister, might be more attractive to the West is not the point. The point is that Russia's stability depends upon its institutions, not whether our favourite of the moment is in the Kremlin. From now on, our aim must be to promote the right institutions, not simply a favoured leader.



LETTERS TO THE EDITOR

Why EMU is so unpopular

From Lord Willoughby de Broke
Sir: The article by Sir Leon Brittan ("Don't misjudge Europe's real mood", 2 February) is a timely reminder of why EMU and those who peddle it so assiduously are becoming increasingly unpopular.

Sir Leon's condescending presumption that EMU will happen because heads of state will do so is insulting to the electorates of the nations that make up the EU: the tedious business of seeking their opinion is not even considered worthy of mention. In support of his case he quotes yesterday's man, Jacques Delors: "Any delay in applying the Treaty on EMU would be a catastrophe for European integration". As Mandy Rice-Davies so memorably put it: "He would say that, wouldn't he?"

As Sir Leon goes on to admit, the French government's mea-

sures to meet the Maastricht criteria have already led to national strikes and demonstrations; he even recognises that there is little support for EMU within Germany itself. The fact is that the countries that count don't want it, while the countries that want it, don't count; but according to Sir Leon, it is going to happen anyway – it must be something they put in the Brussels waters.

I will strike a bet with Sir Leon: that without creative fudging of the Maastricht criteria, EMU will not happen on 1 January 1999.

The loser to buy the winner lunch; and for the venue where better than Luxembourg, which looks like being in a cosy monetary union of one.

Yours sincerely,
WILLOUGHBY DE BROKE
Moreton-in-Marsh,
Gloucestershire

Little lobsters

From Ms Georgina Hobhouse
Sir: Regarding Scott Hughes's examples of seemingly ridiculous rules and regulations emanating from Brussels (Section Two, 2 February), the catch and marketing of wild lobsters is indeed regulated with a minimum size. Far from being a "bizarre regulation" invented by Eurocrats, however, this is a measure designed not to protect the consumer, but to protect the lobster species.

The theory is that by ruling that nothing below the length of 85mm (this is not total length but the shell length of the main body) should be "landed", the fishery will be protected and small lobsters, which

are normally caught alive and unharmed, can be returned to the sea to grow a little more and, hopefully, reproduce.

It is actually arguable that the minimum size of 85mm is not large enough, as it seems that very few female lobsters as small as that have actually yet produced eggs: the female carries her eggs for nearly a year, and in these waters I have never yet seen an undersize female lobster with "berries". In fact, at the moment many lobster fishermen on the west coast of Scotland are voluntarily adopting a minimum landing size of nearly 100mm.

Yours faithfully,
GEORGINA HOBHOUSE
Isle of Colonsay, Argyll

Cromwell's castles

From Mr Donald Foreman
Sir: Mrs M. J. Fox (Letters, 1 February) seems to suggest that because during the reign of Henry VIII monasteries were suppressed, the Prince of Wales's call for lottery money to be spent on religious buildings should be seen as some form of atonement. If so, perhaps descendants of the

Cromwell family would like to give their support to the restoration of the cathedrals, churches and castles which suffered damage, even destruction, during Britain's mercifully brief experiment with republicanism.

Yours faithfully,
DONALD FOREMAN
Secretary, The Constitutional Monarchy Association,
London, E4

Higher education needs financial support

From Mr Harvey Cole
Sir: It is not clear what you envisage (leading article: "Why graduates should pay more", 2 February) for your proposed tax on graduates, of "an extra 1 per cent on income tax for all graduates earning more than £15,000 for the first 10 years after graduation".

This could mean 1 per cent on all taxable income: 1 per cent on income over and above £15,000, or 1 per cent on the whole earned income. But even the last of these – which would provide the highest yield – would raise relatively little money. A graduate averaging £30,000 a year – a high level for the first 10 years after securing a degree – would contribute only £300 a year.

That should be compared with the extra tax contributed under our moderately progressive existing tax system. As from April, somebody earning £15,000 a year will pay about £2,600 in income tax. At £30,000 the tax liability is

almost £7,000 – and about an extra £100 a month is levied in contributions to so-called National Insurance – £5,600 a year in all.

Given the benefits to employers of graduates, the economy and the community that flow from their degrees, the correct approach is clearly for the Government to shift its priorities in determining how expenditure is allocated, and to give proper financial support to its objective of expanding higher education.

Yours,
HARVEY R. COLE
Winchester
2 February

From Ms Madeleine Durie
Sir: I read with interest your leading article (2 February). When I was president of the University of Nottingham's student union last year I was an advocate of a possible graduate tax system, raising the issue at the National Union of Students spe-

cial conference last year. I am now employed on a graduate fast-track programme, earning above the national average income, a result no doubt partly due to my university education.

I disagree, however, with the idea of any form of charging students for their tuition. What we, as student union officers, were advocating last year is some form of fairer relief from the maintenance grant than the current unfair student loans system.

For British industries to compete on an international market they must employ motivated, educated people capable of producing research and innovation. The way to enable this is to ensure open and fair access to higher education for all, regardless of income or financial background – taxing graduates to pay for their fees does not allow this. Yours faithfully,
MADELEINE DURIE
London, W4
2 February

Successful prostate cancer screening

From Mr E. P. Neil O'Donoghue, FRCS

Sir: The only sensible objective of a screening programme for prostate cancer is to detect early prostate cancer in those younger men who could otherwise expect a full life but whose lives are at risk ("Catching a killer can do more harm than good", 30 January). There is little point in screening 75-year-olds with heart disease or other infirmities that will limit their survival.

It is also essential to recognise that our current screening tests are relatively insensitive and will not detect microscopic cancers which are compatible with prolonged survival. Those of us who offer curative surgery are (and must remain) selective in our approach. My personal experience of some 200 radical prostatectomies reaffirms the conviction that there is little risk of unnecessary surgery in the UK, but far too often we are faced

with patients whose disease is too extensive for cure because the opportunities presented to us for early detection are rejected.

The Department of Health is quoted as saying that "the case for a national (screening) programme has not been established", hence its unwillingness to fund or promote a large-scale study. Current policies towards prostate cancer may be defended thus, but meanwhile younger men continue to die unnecessarily and painfully of this disease.

Yours faithfully,
NEIL O'DONOGHUE
Consultant Urologist
Prostate Research Campaign UK
Northwood, Middlesex
31 January

From Mr R. W. Willoughby
Sir: I would like to take issue with the argument that early screening may not be the cure for prostate cancer. In my case it was. It saved my life.

Dr Spock's babies

From Mrs Hilary Luck
Sir: It is difficult to believe from her ill-informed criticism (Letters, 31 January) that Constance Long has actually read *Baby and Child Care* by Benjamin Spock.

When faced with the task of rearing a family in 1963, I had no role model from my own parents. My father had left us, leaving me to a very unhappy mother. Having no wish to repeat this pattern, I turned to Dr Spock.

About 90 per cent of his book is a totally practical encyclopedia of child care, dealing with such mundane but essential matters as nappy rash and when to call the doctor. He first touches on discipline on page nine, in a paragraph headed "Children like to be kept good". A short quotation sums up his approach, defined in

more detail in other sections. The way we avoid irritation, whether we realise it or not, is by keeping our children under reasonable control and by being extra firm or sufficiently disapproving when things first threaten to go wrong. Such firmness is one aspect of parental love. Firmness, by keeping children on the right track, keeps them lovable. And they love us for keeping them out of trouble.

It is difficult to see very much wrong with that as an attitude to discipline, and surely impossible to see it as permissive and damaging. Incidentally, my three children have grown into successful, considerate adults, despite Dr Spock and their being educated at the local comprehensive school.

Yours sincerely,
HILARY LUCK
North Ferriby, North Humberside

Immaculate Mary

From Mr A. Clucas
Sir: Polly Toynbee ("Who'll bear an unwanted foetus?", 2 February) makes the common error of connecting the Immaculate Conception with the conception of Jesus. It actually concerns the conception of Mary, whom Catholics believe to be conceived free of original sin, in other words, immaculately conceived. Yours faithfully,
ANDY CLUCAS
Liverpool

Classy pay-offs

From Mr D. J. Carr
Sir: I am sure that the technique needed to remove poor teachers from the classroom is obvious. Pay them off in the same way that poor businessmen get paid off ("Boss in QE2 fiasco gets £407,000 pay-off", 31 January). Problem solved at a stroke. But mind you don't get trampled in the stampede. Yours sincerely,
DEREK J. CARR
Bristol
1 February

There's no magic in the lottery

From Mr Hugh Shanahan
Sir: Clifford German's assumption (Section Two: "Lottery slaves and hot numbers", 31 January) that numbers that have not turned up very often in previous draws will have a greater chance of appearing in the next draw is wrong.

An individual draw cannot be affected by previous (or indeed future) draws. One can say something about the frequency of numbers from a very large number of draws (and, indeed, I suspect that that number would have to be much bigger than what we have right now), but just because 39 has only appeared twice does not mean that it will magically be persuaded to go down that pipe next Saturday. Furthermore, describing the sequence 1,2,3,4,5,6 as "unlikely" is a half-truth, because every other possible combination is equally unlikely. Yours sincerely,
HUGH SHANAHAN
Glasgow
3 February

Post letters to Letters to the Editor, and include a daytime telephone number. (Fax: 0171-293 2056; e-mail: letters@independent.co.uk) Letters may be edited for length and clarity.

Pamela, Delia and obsessions with cups

When I look at the cover of the current edition of the *Radio Times*, I am reminded of something said by a member of the Platters singing group in 1960.

He came to the microphone and said: "OK, now we're going to sing a song from a film in which Jayne Mansfield had a small part... Well, two small parts, actually."

I remember that joke 36 years later because it pinpoints in my mind the fact that in 1960 it was Jayne Mansfield who was playing the part of the girl with the big bosom. Today it is Pamela Anderson, and she is on the front of the *Radio Times* for it. For that and nothing else.

You do not have to have actually seen Pamela Anderson. I have never seen Pamela Anderson. But I have heard her being mentioned and talked about and being made the subject of jokes, and I do not need to have seen her.

All you have to do is listen to the tone of voice in which people (they tend to be men) talk about her, to know that she is the one who is playing the part of the girl with the big boobs today.

There is always one. There only needs to be one. When I was a young lad, the one on this side of the Atlantic was called



MILES KINGTON

Diana Dors. She was famous for having a big bosom. I do not think she was famous for anything else, except a bit of acting, but no one noticed the acting. Her bosom stood out like the figurehead of a sailing vessel, so it did not really matter what the rest of her body was doing.

It might have been acting, it might have been weight-lifting, it might have been riding a unicycle, but what really mattered was the fact that in front of her projected two breasts which attracted people's attention like a lorry's twin headlights in the dark.

When I say "people", I actually mean "men".

Women have always scratched their heads in puzzlement over the way in which the twin attachments that nature has put on their chests to give milk to babies have been turned into sexual objects by men. Still, women

have always scratched their heads in puzzlement over almost anything that men do.

When women get together and shake their heads in wonderment over the doings of men, it is almost as if they were talking about children. In fact, that is why women are so good at dealing with children. They have already had a lot of practice when dealing with men.

The only reason I can think of to explain why women are so puzzled by the male fascination with female breasts is that it seems to be the only part of the body where the feeling is not reciprocated.

Both sexes can admire the other's legs, and bottoms, and eyes, and noses, and mouths, and so on up and down the anatomy. But I have never heard a woman say of a man: "By gum, he's got a lovely pair of nipples." So they must be puzzled to hear such a remark themselves.

And in any age, there is usually one poor woman, or rather one rich woman, who becomes the nation's pin-up.

Once it was Jane Russell. Once it was Marilyn Monroe. There was a woman in the Fifties called Mamie van Doren, who was Jayne Mansfield's understudy. Then there was a woman called

Sabrina, who had a bust and nothing else.

Later, everyone's favourite busty blonde was Barbara Windsor.

And now it is Pamela Anderson. She is on the front of the *Radio Times* because she has what is now called a cleavage. That is all she has to do to get on the cover of the *Radio Times*. Have a cleavage.

Well, that is not quite all. You could also cook like Delia Smith, of course. Then you would be featured on the cover of the *Radio Times* every week. You would also get pages and pages of recipes inside.

(It might be easier if the *Radio Times* just had Delia Smith recipes, and Delia Smith had her own magazine that just listed TV and radio schedules...)

But Delia Smith represents the other side of male fantasy, the mouth-watering, capable, no nonsense, sensible, warm, sexy side of womanhood. Delia Smith is the Vera Lynn of cooking.

Men would be very confused if Delia Smith were sexy.

Men would be very confused if Pamela Anderson could cook up a storm and explain recipes very easily in a best-selling sort of way.

Men are very easily confused. Poor things. Aren't they sweet?

obituaries / gazette

Gene Kelly

As director and choreographer, dancer and singer, acrobat and actor, Gene Kelly was one of the most vital and indispensable figures in the history of the American film musical.

Paradoxically, it was by assuming and exploiting the ostensibly limited measure of creative freedom afforded by genre movies that Hollywood directors, writers and performers produced their most durable work – more often and more durably, it could be argued, than when scaling the heights of “self-expression” to which a few would eventually graduate. Although scandalously neglected by the Academy Awards, the musical was one of the American cinema’s most glorious indigenous genres, and one which was to offer those who worked within it licence of a kind that was denied them in their “straight” movies: licence in the stylisation of decor and costume, of course, but also in the elaboration of camera movement and the exploration of filmic space.

Most notably in his collaborations with Stanley Donen, Kelly opened up, “aerated”, the performing space of the Hollywood musical of the early fifties, whose fundamental theatrical origins still tended to show through, and created for the cinema what might be termed an “impossible stage”, whose spatial parameters would be ceaselessly redefined before our dazzled and discombobulated eyes. With Donen he co-directed a trio of musicals of paramount importance and almost infinite charm, one of which, *Singin' in the Rain* (1952), is widely regarded as the finest of all.

To most moviegoers, however, Gene Kelly was familiar only as a performer, as a face, as a great, grinning, apparently indelible smile – one that re-

called both the devil-may-care nonchalance of a Douglas Fairbanks (it was not by chance that in 1948 Kelly played d'Artagnan in one of the umpteenth screen adaptations of *The Three Musketeers*) and the unquenchably breezy optimism of a Harold Lloyd – a smile around which his trim, athletic figure would indefatigably circle and spin. The most peerlessly debonair dancer of the 1930s (and, indeed, of the entire history of the cinema) was Fred Astaire. But if Astaire made one think of an angel momentarily come to rest on earth, then Kelly was a dancer who, in a wholly unpejorative sense, had his two feet firmly on the ground.

From out of the bijou white-walled penthouse suites in which Astaire and Rogers would rotate like figurines on a music box Kelly took dancing down into streets and squares and parks; and to the silken white-tie strait-jackets that set his predecessor off to such dashing advantage he preferred, in movies like *Anchors Aweigh* (1945) and *On the Town* (1949), the more robust and homely white of a sailor's bell-bottoms, investing them with the fantastical charm of those decorative ruffles, bows, Pienrots and Harlequins. The choreographic language that Kelly introduced into the American musical carried the very first hint of the vernacular, of *slang*.

Kelly had been a dancer – or “hooper”, a term that might have been coined for him – since his childhood. He became a professional in 1938 as a male chorine in the Broadway musical *Leave It to Me* and in 1940, one of several *amirables* in his career, he choreographed “Billy Rose's Diamond Horseshoe” and was cast in the title role of *Pal Joey*. Rodgers and Hart's groundbreaking musical version of John O'Hara's short

story. Then, only one year later, he was offered the male lead opposite Judy Garland in Busby Berkeley's *For Me and My Gal*, the first of his appearances in a long series of MGM musicals, which later included four by Vincente Minnelli: *Ziegfeld Follies* (1946), a portmanteau homage to one of the most flamboyant of Broadway's showmen, in which he would perform a droll, self-debunking song-and-dance routine, “The Babbitt and the Bromide”, with Fred Astaire; *The Pirate* (1948), in which his neo-Fairbanksian panache was ideally suited to the role of a ham actor mistaken for a buccaneer; most memorably, perhaps, *An American in Paris* (1951), which concluded with his celebrated “Ecole de Paris” ballet; and, finally, *Brigadoon* (1954), with Cyd Charisse and Van Johnson.

It was also in 1949 that Kelly was teamed with Stanley Donen to direct *On the Town*, usually credited as the first modern film musical. In fact, much of it was in a traditionalist MGM mould, and only its opening sequence could claim to be genuinely innovative. Filmed completely and (for the period) adventurously on location, it presented Kelly, Frank Sinatra and Jules Munshin (the one whom everyone tends to forget) as three sailors released at dawn from the Brooklyn Navy Yard on a 24-hour pass and gawpingly absorbing the sights and sounds of the big city. The remainder of the film, though far more dance-oriented than most previous musicals, was conventionally studio-bound.

But, as Kelly himself said, “The fact that make-believe sailors got off a real ship in a real dockyard and danced through a real New York was a turning-point in itself.”

On the Town was followed by *Singin' in the Rain*, which wears its unrivalled and by now ultra-familiar perfection as lightly as ever. And that in turn by *It's Always Fair Weather* (1955), a bizarrely sour and disillusioned musical filmed not merely in but for CinemaScope, its dance numbers so inventively filling out the pillar-box format that the film is virtually impossible to screen on television.

Unaided, Kelly directed two subsequent musicals: *Invitation to a Dance* (1956), an uneasily self-conscious three-part essay in pure ballet, whose most amusing episode found him dancing with “Tom” of *Tom and Jerry*, and, for 20th Century-Fox, *High Society* (1957), with Barbra Streisand and Walter Matthau), a totally misguided endeavour to recapture the euphoric buoyancy of his earlier work but whose top-heavy imagery reminded one of nothing so much as the elephants' lumbering slow-motion cancan in Saint-Saëns's *The Carnival of the Animals*. His non-musical work as a director (i.e. *The Happy Road*, 1957, *Tunnel of Love*, 1958, *Gigot*, 1962, *A Guide for the Married Man*, 1967) was utterly unmemorable; that as actor (*Christmas Holiday*, 1944, *Black Hand*, 1950, *Inherit the Wind*, 1960), a little less so.

But none of his failures will ever efface the memory of the modest production number that gave his masterpiece, *Singin' in the Rain*, its title; and one has only to bear its introductory bars – tum-tum-tum-tum-tum-tum-tum-tum – to see him again, in a dance as negligent and somehow as instinctive as a shrug of the shoulders, effortlessly sashay down that rain-soaked street on the MGM back lot. No one but Gene Kelly could have made rain seem so very sunny.

Gilbert Adair

Singin' in the Rain came at the very peak of Gene Kelly's career and was the last of his masterpieces, so how fitting that it should include his best-loved routine – filmed in just a day and a half, so thorough was his preparation, writes Tom Vailance.

Kelly's role in the film as Don Lockwood, a swashbuckling star of the silent cinema, is reminiscent of the character he parodied so hilariously with Judy Garland in *The Pirate*, while the title number's street setting is a reminder of earlier triumphs – the “Alter Ego” dance in *Cover Girl*, the joyous opening gambol through the streets of New York in *On the Town* and the celebration of love and youth, “Wonderful”, on the Parisian boulevard of *An American in Paris*. The street in *Singin' in the Rain* is in California where his sweetheart warns him that the “dew is just a little heavier than usual tonight”, but Kelly doesn't care. He and his friends have discovered a way to turn the silent action star into a song-and-dance man for the talkies. He is on the brink of a new career and he is in love and what follows is a joyous celebration of these facts.

“Moses Supposes” in the same film may be a finer display of pure tap, but the title number is uniquely Kelly's, a summation of his style which not only features child-like splashing through puddles – that element of the eternal child in us all and a reminder of Kelly's earlier brilliant work with children – but even includes the line “Come on with the rain, I've a smile on my face,” so appropriate for a star whose broad Irish grin was such an indelible part of his charm.

Taking no heed of his girl's warning (“Where I'm standing the sun is shining”), he waves



The finest musical of all: Kelly in *Singin' in the Rain* (1952)

Photograph: Kobal Collection

away his taxi and as he strolls off begins to hum the counter-melody before launching into full song, his euphoria mounting as he leaps on to a lamppost and embraces it, gaily waving to a couple who hurry by with a newspaper over their heads. Arms outstretched, he beams as the camera swiftly tracks in for the famous grinning close-up, then he strolls, insouciantly twirling his umbrella, before starting a second chorus with “Dancin' in the rain...”, the sound of his taps on the wet pavement having a beguiling sonority.

Throughout the number Kelly uses his umbrella as a prop, twirling or kicking it, juggling with it, using it as a banjo or a partner, running it along railings and, as he does a jaunty sideways step to the left, twirling it to the right above his head. Standing under a pouring down-pour, he abandons its protection completely before joyously whirling full-circle in the street as the orchestra's brass sweeps into the main melody before strings take over as Kelly delicately trips on and off the sidewalk as if on a tightrope (the magnificent orchestration was

the work of MGM's ace arranger Conrad Salinger). Finally, Kelly splashes with gay abandon through the puddles before the reproving gaze of the law curtails this transport of delight, and giving his umbrella to a passer-by, he disappears happily into the night.

Eugene Curran Kelly, actor, dancer, director: born Pittsburgh 23 August 1912; married 1941 Betsy Blair (one daughter; marriage dissolved 1957); 1960 Jeanne Coyne (died 1973; one son, one daughter); died Los Angeles 1 February 1996.

Dr Clive Bruton

Clive Bruton was one of Britain's foremost neuropathologists, noted for his work on Creutzfeldt-Jakob disease, epilepsy and the pathological effects of boxing. As curator of the Corsellis Collection of brains at Runwell Hospital in Essex he looked after the largest brain archive in the world.

Bruton's mother was evacuated to Leicestershire and gave birth to him in 1941 at Lockington Hall, a castle that had been converted into a maternity hospital, although he spent his childhood in Battersea, south-west London. He was educated at Emanuel School in south London, where he excelled at rugby and Eton fives.

He was dissuaded from pursuing a career in marine biology at university by an astute teacher who felt his talents would be better served in medicine, which proved to be of

great benefit to neuropathology. He graduated from St Bartholomew's Hospital, London, in 1965 and took up his first house officer post at Rochford Hospital, in Essex, later moving to the Brook Hospital, London. He met Dr Anthony Woolf, a neuropathologist, who stimulated his interest in research.

In 1968 he returned to Essex, where he joined the department of neuropathology as a senior registrar at Runwell Hospital, a post jointly held with the Maudsley Hospital, London, and began working with the eminent Professor J.A.N. Corsellis. Together they were involved in a number of valuable research projects, which began with work on epilepsy, published in the paper “The Pathology of the Brain in Epilepsy” (1969). The seminal paper “The Aftermath of Boxing” followed in 1973,

which became the driving force behind several significant changes in boxing legislation: the reduction of rounds in world championships from 15 rounds to 12, the compulsory use of headgear in all amateur contests and the total abolition of boxing in all UK schools. Despite his research Bruton refused to condemn the sport outright and in 1995 admitted he still enjoyed watching the occasional bout.

In 1971, he entered general practice, although he retained his links with neuropathological research. He later moved to Birmingham but still returned to complete his research at Runwell Hospital for the much-acclaimed Maudsley Monograph *The Neuropathology of Temporal Lobe Epilepsy* (1988) which was to influence the treatment of epilepsy. He wrote the chapter on epilepsy in

Greenfield's *Neuropathology* (1992).

Together, Corsellis and Bruton worked to establish the Runwell department of the neuropathology as a research centre of growing importance. There followed further work on epilepsy and aging and dementia which attracted considerable national and international attention and led to the establishment of a collection of brains at the hospital. By 1993 they numbered over 8,000.

Bruton made a considerable contribution to the better understanding of brain abnormalities in schizophrenia, and in collaboration with Dr T.J. Crow, at Northwick Park Hospital, Harrow, published “Neuropathology of Schizophrenia: I. Global Assessment; II. Lateral Ventricle; III. Gliosis” (1987). At the time of his death Bruton was undertaking further

studies into the disease. He was involved with research into Creutzfeldt-Jakob disease and bovine spongiform encephalopathy and had just published a paper, “Diagnosis and Incidence of Prion (Creutzfeldt-Jakob) Disease: a retrospective archival survey with implications for future research” (1995).

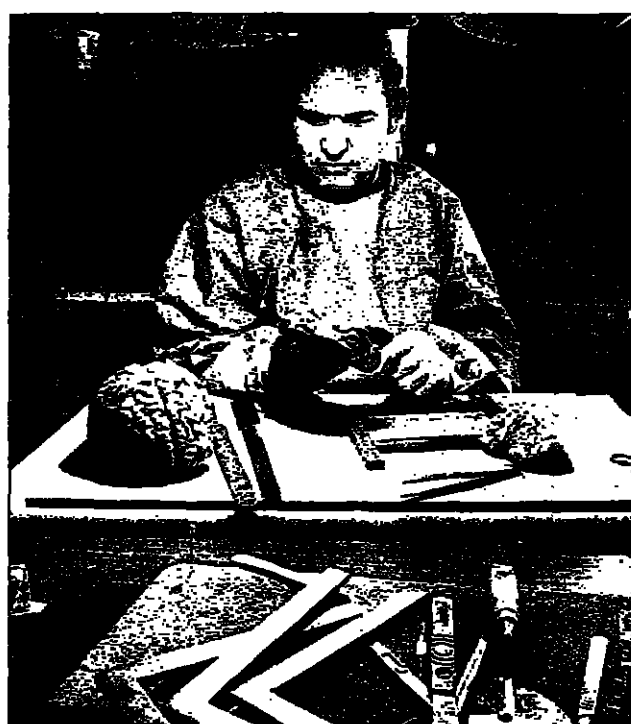
From the mid-1980s until 1995, the department of neuropathology at Runwell had been largely funded by the Medical Research Council, with whom Bruton had established close working relationships. When, in 1994, plans were announced to break up and redistribute the archive, Bruton was instrumental in ensuring that the custodianship of the department and the material was transferred to Southend Community Care Services NHS Trust, leading to his appointment as curator of the Corsel-

lis Collection brain bank. This change brought further publicity for the department, and for Bruton in particular, who found himself the focus of international media attention.

Despite his contention that the publicity was an intrusion into his work, he was always charming and possessed a unique ability to talk passionately about his work. The quality and originality of the standards he set will remain a lasting legacy to neuroscience.

Rosemary Brown

Clive Joseph Bruton, neuropathologist: born Leicestershire 18 September 1941; honorary consultant, Department of Neuropathology, Runwell Hospital 1986-94, curator, Corsellis Collection 1994-96; married 1965 Dr Ann Udal (one son, three daughters); died Runwell, Essex 1 February 1996.



Bruton: 8,000 brains

Photograph: Tony Buckingham

Chubby Wise

Chubby Wise was one of the great sidemen in country music, a champion fiddler whose work with first Bill Monroe and then Hank Snow established him as a formative influence upon generations of bluegrass musicians.

He joined the ranks of Bill Monroe's Bluegrass Boys in 1942 at a time when Monroe, known as the “Father of Bluegrass Music”, was developing the dynamic acoustic sound that has been his musical legacy. By 1946 Wise found himself alongside the innovative banjo-picker Earl Scruggs, the guitarist and vocalist Lester Flatt and the bass player Cedric Rainwater, in the classic Bluegrass Boys line-up.

Together they cut a string of classics for Columbia, including “I Hear a Sweet Voice Calling”, “Will You Be Loving Another Man”, “Footprints in the Snow” and “Blue Moon of Kentucky”. Eight years later, Elvis Presley turned the last of these into a classic piece of rockabilly, the

flip-side of “That's All Right Mama”.

Following his departure from the Bluegrass Boys, Wise turned to session work, teaching, among others, Red Foley and Hank Williams. He honed his song-writing talent, co-writing “Shenandoah Waltz” with Clyde Moody, who enjoyed a massive hit with it (an estimated 3 million copies) in 1947. Wise then found a new home with Hank Snow's Rainbow Ranch Boys.

For some 16 years Wise played alongside Snow, who was the Canadian star of the WSM *Grand Ole Opry*, the longest-running country music radio programme, broadcast live from Nashville. Wise took part in the 1955 sessions in which Snow and his band joined the guitarist and producer Chet Atkins in adding new instrumental backing to several classic recordings by the country music pioneer Jimmie Rodgers (who had died 23 years earlier). In the 1960s, Wise cut an al-

bum for Starday entitled – rather absurdly for a man born in Florida – *Tennessee Fiddler Chubby Wise and the Rainbow Ranch Boys*. It proved a taste of things to come, for when Wise left Snow in the early Seventies, never to be replaced, he relocated to Texas and promptly signed with R.M. Stone's Stonewall label, eventually cutting nearly two dozen albums for them.

Wise became a fixture of the Texas scene, recording an album with his old friend Mac Wiseman, whilst another fiddling legend, the former Texas Playboys Johnny Gimble sat in the producer's chair.

Even as his 80th birthday approached, Chubby Wise remained a much sought-after fixture of bluegrass festivals throughout the US and continued to record: two albums, *In Nashville* and *An American Original*, have been released to critical acclaim in the past couple of years.



Wise: bluegrass boy

As a child growing up in rural Florida, Chubby Wise had begun his musical career playing banjo, switching to the fiddle at the age of 12 only because, as he once told an interviewer: “The fiddle bow fit my hand a lot better than them plough handles did.”

Paul Wadey

Robert Wise (Chubby Wise), fiddler: born Lake City, Florida 2 October 1915; married; died Washington DC 6 January 1996.

Trevor Russell-Cobb

One of the first in Britain to advocate industrial patronage of the arts, Trevor Russell-Cobb was a man of strongly independent views. These were sometimes perceived as eccentric, but they sprang from a bedrock of intellectual pursuits.

His 1968 monograph *Paying the Piper – the theory and practice of industrial patronage* was a pioneering work. Its prime objective was “to persuade industry to play a fuller part in the communities from which it draws its sustenance by spending money in support of art and artists”. Practising what he preached, Russell-Cobb commissioned on behalf of his own company works from John Gardner for the 1963 Farnham Festival and from Malcolm Williamson for the 1968 Brighton Festival.

Brought up in a musical household (from the age of six he accompanied his mother, who taught singing at the

Webber-Douglas Academy of Dramatic Art) and educated at Wellington College, Russell-Cobb trained as a pianist at the Royal College of Music. His first paid job was in the London Stock Exchange, but this was not at all his *metier*. With the outbreak of the Second World War he enlisted in the Welsh Guards, rising to the rank of Lieutenant-Colonel.

While working at the British Council he enrolled at London University as an external student and took two degrees, the first, a BA in English in 1952 and the second a BSc (Econ) in 1956. Tempted by the remuneration, he took a job in Geneva for the United Nations on the staff of its technical assistance programme, but did not find international diplomacy a sufficient challenge and returned to his favourite city, London. Having become a director of the public relations consultants Campbell Johnson, he set up his own PR consultancy, Russell-

Cobb Limited. This was a career that occupied him on and off for the rest of his working life.

A lover of music and a talented pianist, Russell-Cobb was a director of the English Chamber Orchestra from 1953 to 1978. He was elected to the Council of the Royal Society of Arts in 1972 and became its Treasurer for five years from 1978. He worked to raise money for the Victorian Society and launched Enterprise Neptune for the National Trust. He was until his death a trustee of the Sir John Soane Museum and succeeded Lord (Asa) Briggs as Chairman of the Foundation for Ephemera Studies. He was a life member of numerous learned societies, the Johnson Society, the William Morris Society and the Society of Architectural Historians being his favourites.

Trevor Russell-Cobb had a wide circle of friends and an impressive general knowledge. Over the years he amassed a library of over 30,000 books,



Russell-Cobb: 30,000 books

which were his pride and joy. There was virtually no booklist or second-hand bookshop with which he was unfamiliar.

Leslie Sayers

Trevor Russell-Cobb, public relations consultant: born Chalfont St Peter, Buckinghamshire 3 February 1918; married 1940 Suzanne Chambers (one son, one daughter; marriage dissolved); 1952 Nan Piquet-Wicks (née Stanley Hughes, died 1979; two sons); died London 31 January 1996.

Births, Marriages & Deaths

BIRTHS

SUTCLIFFE: On 22 January 1996, to Elizabeth and Sean, a son, Julian Patrick.

DEATHS

ELY: On 23 January 1996, after an illness of 15 months, borne with great courage and dignity, Peter John, aged 59, beloved husband of Joy, father of Liz and Min, son of Peggy and brother of Simon and Philip. Funeral on Tuesday 6 February at 12 noon, at St Stephen's Church, Canterbury.

Announcements for Gazette BIRTHS, MARRIAGES & DEATHS should be sent in writing to the Gazette Editor, The Independent, 1 Canada Square, Canary Wharf, London E14 5DL, telephoned to 0171-293 2011 or faxed to 0171-293 2010, and are charged at £6.50 a line (VAT extra).

Forthcoming marriages

Mr R. W. Furness and Miss A. F. Matheson. The engagement is announced between Rupert, only son of Professor and Mrs Raymond Furness, of Boarhills, Fife, and Fiona, only daughter of Dr and Mrs Christopher Matheson, of Colton, Norfolk.

Birthdays

Mr Jack Aspinwall MP, 63; Mr Robert Atkins MP, 50; Mr William Burroughs, novelist, 82; Mr Red Buttons, actor and comedian, 77; Maj-Gen Sir Simon Cooper, Master of HM Household, 60; Mr Ian Findlay, former chairman, Lloyd's, 78; Lord Gibson, former chairman, National Trust, 80; Miss Susan Hill, novelist, 54; Professor Sir Alan Hodgkin, former Master, Trinity College, Cambridge, 82; The Hon Douglas Hoag MP, Minister of Agriculture, Fisheries and Food, 51; General Sir Geoffrey Howlett, chairman, Services Sound

and Vision Corporation, 66; Mr Mark Jones, Director, National Museums of Scotland, 45; Mr Denis Kennedy, chairman, Honeywell, 61; Mr David Martin MP, 51; Sir Andrew Morritt, a Lord Justice of Appeal, 58; Mr Frank Muir, writer and broadcaster, 76; Professor Adam Neville, former Principal and Vice-Chancellor, Dundee University, 73; Miss Charlotte Ransing, actress, 50; The Very Rev Colin Semper, Canon of Westminster, 58; Mrs Clare Short MP, 50; Mr Michael Simpson-Oribe, former ambassador to Mexico, 64; Mr Arthur Sulzberger, former chairman and publisher, the New York Times, 70; Sir Rodney Sweetnam, former orthopaedic surgeon to the Queen, 69; Lord Williams of Mostyn, a Recorder of the Crown Court, 55; Sir Leslie Young, chairman, Hoskins Ltd, 71.

Anniversaries

Births Sir Robert Peel, statesman, 1788; John Boyd Dunlop, inventor of the pneumatic tyre, 1840. Deaths

Thomas Carlyle, author and historian, 1881; Marianne Craig Moore, poet, 1972; Emeric Pressburger, film producer, 1988; Joseph Leo Mankiewicz, film director and actor, 1993. On this day: Rossini's *The Barber of Seville* was first performed, Rome 1816. Today is the Feast Day of St Adelaide of Bellich, St Agatha, St Avitus of Vienne, St Bernulph or Bertoul of Renty, Saints Indractus and Dominica and St Vodalus or Voel.

Lectures

Gresham College, Barnard's Inn Hall, London EC1: Peter Ackroyd, “William Blake”, 1pm.

ROYAL ENGAGEMENTS

The Prince of Wales presents the Laurence Pomeroy Challenge Award for World Game Conservation at Aspley House, London W1.

Changing of the Guard

The Household Cavalry Mounted Regiment will march from the Guard in Horse Guards, 11am; 1st Battalion Irish Guards march, the Queen's Guard, at Buckingham Palace, 11.30am, both preceded by the Irish Guards.

The following notes of judgments were prepared by the reporters of the All England Law Reports.

Betting

R v Horse Race Totalisator Board, ex p William Hill; QBD (Macpherson J); 15 Dec 1995.

The Horse Race Totalisator Board's discretion under s 14(1) of the Betting, Gaming & Lotteries Act 1963 was wide.

The power to determine what charges to make was vested solely in the board itself and provided its decisions as to charges were rationally made they were enforceable. The differentiation of fees was not unlawful provided there was a legitimate basis for it and there was no evidence of mala fides.

David Pannick QC (Allen & Overy)

CASE SUMMARIES

5 February 1996

For the applicant, Michael Belfoff QC. Helen Mountfield (Rowe & Mave) for the respondent.

Compensation

R v Redbridge Magistrates, ex p Guppy; QB Div Ct (Schiemann LJ, Holland J); 21 Dec 1995.

The applicant having made himself bankrupt five weeks after the imposition of a compensation order under which he was given three months to pay with up to three years' imprisonment in default, the magistrates were entitled to find him guilty of wilful refusal and culpable neglect to pay and to impose a prison sentence, even though all the applicant's assets were vested in his trustee in

bankruptcy. Payment of the compensation order became due as soon as it was made, albeit that no sanction for non-payment could be imposed until the three months had expired.

Spencer Hilliard (Afsaf) for the applicant; Nigel Sweeney (Cyde & Co) for the Boden Syndicate at Lloyd's, an interested party; James Curtis QC (CPS) for the prosecution.

Evidence

R v Lee (Robert); CA (Cr Div) (Russell LJ, Rousier J, Judge Rhy Davies QC) 15 Dec 1995.

The words “threat or injury” in s 32(2)(a) of the Criminal Justice Act 1988 (which in combination with s 32(1)(b)

enabled a child to give evidence by video or television link) applied to the offence and not the offender; they did not necessarily involve any threat of injury to any particular person and certainly not to the person giving evidence by video or television link. An offence involved a threat of injury within the meaning of s 32(2)(a) if the circumstances were such that injury to a person was a real possibility. Thus evidence in an arson trial could be given through a live television link or video recording as the circumstances of the offence involved being reckless whether life was being endangered.

Simon Creak, who did not appear in the court below (Middlesex, Manchester) for the appellant; Roger Hedgeland (CPS) for the Crown.

business

TODAY

Companies
Interims: Elbief, Henderson Admin Group, Mid Wynd Investment Trust, US Smaller Companies Investment Trust, Waste Management International.
Finals: Fleming Claverhouse, AGMs: Dewhurst, J Bibby & Sons.
EGMs: None scheduled

Economics

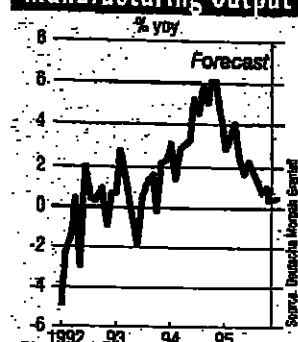
Growth of the narrow measure of the money supply, M0, has been above its 0.4 per cent monitoring range for nearly two years – one of the indicators worrying Eddie George, Bank of England figures today are expected to show a small decline in M0 in January due to a drop in banks' balances at the Bank of England. Its erratic component, T, would take the annual growth rate down to about 5.8 per cent. But growth of cash in circulation is likely to remain buoyant. Housing starts and completions for December are also due.

UK December housing starts and completions, UK M0 narrow money supply.

TOMORROW

Companies
BSkyB interim and second-quarter numbers will confirm the market's belief in the group's ability to deliver strong medium-term earnings growth. However the real story is the OTT's investigation into the group's competitive position in the UK's growth subscription

Manufacturing output



television market. BSkyB has suggested that its second-quarter profits would be "broadly similar" to those achieved in the first quarter when it announced a doubling of pre-tax profits to £51m.

Interims: BSkyB, Howard Holdings.
Finals: PepsiCo, French Property Trust, Gardiner Group, Yeoman Investment Trust, AGMs: J Bibby & Sons, Dewhurst.
EGMs: None scheduled.

Economics
Surveys on manufacturing have hinted at some recovery from recent weakness. However, City analysts do not hold out much hope of a significant rise in December production. Manufacturing output is expected to be up 0.1 per cent – enough to improve the year-on-year growth rate to 0.7 per cent from November's dismal 0.4 per cent. Total industrial pro-

THE WEEK AHEAD

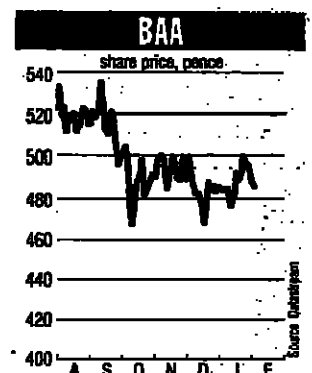
WEDNESDAY

Companies
After initial traffic growth for the current financial year proved to be sluggish for BAA, passenger numbers started to pick up towards the end of 1995. The shares remain a core transport holding and should be picked up on sign of weakness. Pre-tax profits are forecast to grow by 11 per cent to £360m from £325m.
Interims: BAA (third quarter), Betacom, Excalibur Group.
Finals: Goodyear, Amicable Smaller Enterprise, Continental Assets, Continental Foods, Murray Euro Investment Trust.
AGMs: Chemring Group,

Malakoff, Sage Group, Utility Cable.
EGMs: North American Unit Trust.

Economics

Kenneth Clarke and Eddie George hold their monthly monetary meeting. Having cut base rates twice in the past two months, Mr Clarke is expected to leave them alone this



month – especially as analysts have concluded that he acted against the Governor's advice in January.

The Confederation Of British Industry and Business Strategies release their quarterly survey of regional trends. Cyclical indicators for the UK for January and November. Overseas travel and tourism figures are also due.

UK monthly monetary meeting and January cyclical indicators. US November trade deficit.

THURSDAY

Companies

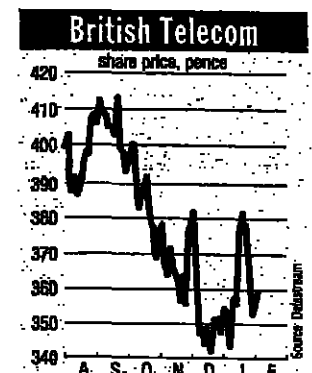
British Telecom is in the middle of an important regulatory review which is not a good time to announce good third-quarter results or make optimistic noises about the future. The regulatory ruling is liable to continue, taking the steam out of the shares. Pre-tax profits are

expected to rise by 17 per cent to £774m and earnings per share by 19 per cent to 8.4p.

Interims: British Telecom (Q3), Amstar, Wyfield Group, Westminster Health Care.

Finals: Colgate-Palmolive, Edinburgh Java Trust, Ericsson, Gartmore Emerging Pacific, P&P.

AGMs: API Group, Bass, Burnside Investments, Denmans Electrical, Electronic Data Processing, Stakis.
EGMs: Denmans Electrical



Economics
Unemployment figures for Germany today could take the jobless rate up to the psychologically important level of 10 per cent. Other data for Germany released during the week – retail sales, manufacturing orders and consumer prices – are expected to confirm the weak state of the economy.

FRIDAY

Companies
Interims: Compel Group.
Finals: Heavitree Brewery, Nightflight.
AGMs: Archer Group Holdings.

Economics

The CBI's survey of the distributive trades will give the first indication of retail spending in January. Other recent evidence has suggested that a recovery is under way on the high street. The Bank of England will release its detailed analysis of bank lending in the fourth quarter of last year.
Data: NatWest Securities

Alcoholic Beverages	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Banks, Merchant	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Banks, Retail	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Breweries, Pubs & Rest	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Building/Construction	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Electricity	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Electronics	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Engineering	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Food Manufacturers	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Gas Distribution	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Health Care	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Household Goods	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Index-linked	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Undated	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Distributors	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Engineering Vehicles	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Extractive Industries	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Food Manufacturers	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Gas Distribution	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Health Care	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Household Goods	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Index-linked	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Undated	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Insurance	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

International	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Life Assurance	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Media	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Oil Exploration	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Oil, Integrated	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Other Financial	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Pharmaceuticals	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Printing & Paper	Stock	Price	Chg	Vol	Index
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100
Adn Group	100	1.25	0.01	100	100

Apple expected to call off talks on Sun buyout plan

DAVID USBORNE
New York

Talks between Apple and Sun Microsystems on a buyout plan that would have in effect merged the world-famous Apple name out of existence are expected to be formally suspended today in the wake of the appointment late last Friday of Gilbert Amelio as the company's new chief executive and chairman.

Sources close to Mr Amelio, who comes to Apple from National Semiconductor where he has been chief executive since 1990, say he is likely to attempt in the short term at least to solve Apple's manifest problems from the inside and while retaining its independence. Mr Amelio replaces Michael Spindler, chief executive since 1993, who has received most of the blame for Apple's recent difficulties.

The change of the guard at Apple was confirmed by the company late on Friday, hours after the close of markets and a full business day after it was foreshadowed in several US newspapers. Rumours of the impending ousting of Mr Spindler

prompted a small rally in Apple shares which closed higher on the Nasdaq market at \$29.50 on Friday evening.

The price for spinning Sun Microsystems, which had been in talks with Apple since last autumn, is likely to be swift action by Mr Amelio to restructure the company, probably entailing new redundancies on top of the 1,300 job losses announced by Mr Spindler last month.

The crisis at Apple sharpened early last month when it reported a \$69m loss for the quarter ending 29 December which included the Christmas retailing period and should have been strong.

The company, which last week saw its credit rating downgraded to junk status, has also warned of additional red ink in the first quarter this year.

Even as recently as 10 days ago at a raucous annual meeting of shareholders, the Apple board defended Mr Spindler, even though he came under fierce attack at the meeting from some important institutional investors. But board members began to question the wisdom of hanging on to Mr Spindler at a secret crisis meet-

ing in a New Mexico hotel the next day.

The merger option also became less attractive as Apple's share value continued to sink. Last week, Sun Microsystems was reported to have proposed a straight stock-swap transaction that would have valued Apple at a meagre \$23 a share.

Apple board members were put off, in part, because of fears that selling the company for so low a price might have triggered an avalanche of shareholder law suits.

If the Sun Microsystems deal could not be done, the sacking of Mr Spindler came to be the only remaining option for the board. The crunch came at another secret board meeting at the St Regis Hotel in Manhattan last Wednesday. It remains unclear whether Mr Spindler had to be pushed, or if he resigned voluntarily. He suffers from a heart condition and his wife has cancer.

The board chairman, AC "Mike" Markkula meanwhile volunteered to become vice-chairman and surrendered his chairmanship to Mr Amelio, thus giving him full control.

Among those predicting that

Mr Amelio will kill all takeover talks, is Regis McKenna, a Silicon Valley publicist and venture capitalist who originally initiated contacts between Apple and Sun Microsystems. "Gil thinks he can fix Apple's manufacturing problems," Mr McKenna told the *New York Times* yesterday.

Wall Street is expected meanwhile to cheer the appointment of Mr Amelio who has a reputation as a corporate "turn-around artist". He has been credited with the virtual rescue of National Semiconductor which was on the verge of oblivion when he took control of it.

Robert Herwicz, of Herwicz Capital Management in San Francisco, said: "The pump speed [at Apple] has picked up, so the ship isn't sinking at the moment, but it still has holes under the waterline."

Rick Whittington, of Soundview Financial in Stamford, Connecticut, said: "Amelio is a Mr Fix-it. Obviously Apple, according to its stock market price, needs fixing."

Mr Amelio has several options for restructuring at Apple where executives have been keen to focus on software.



'Mr Fix-it': Gilbert Amelio who takes over from Michael Spindler at the Apple helm

Pressure grows on Gas boss

MAGNUS GRIMOND

Big fund managers are set to call for the head of Cedric Brown, the chief executive of British Gas, amidst evidence of a growing boardroom rift.

Richard Giordano, the chairman - who is himself under attack - is making life difficult for Mr Brown, and is pressing for his retirement ahead of the planned date at next year's annual general meeting.

The three non-executives Lord Walker, the former energy minister, Dixon's chairman Sir Stanley Kaim and Roger Boissier, chairman of Pressac Holdings, are also under pressure to go. Along with Mr Brown, they are being targeted by City investors as part of the "old guard", which is held responsible for having led the company into its present mess.

Most of the former executive members of the board have left since October in what has already been the most extensive boardroom clear-out since privatisation in 1986, prompted by a catastrophic year for British Gas. The company has seen its share price plummet, is facing massive losses on "take-or-pay" gas contracts and is facing a big cut in its market share as the gas market is rapidly opened up to new competition.

Institutions are ready to support what looks like increasing concern among the new executive directors at the performance of the non-execs and are also directing their fire at Mr Giordano.

The head of one big institution said yesterday: "The British Gas affair looks a sordid and sordid state of affairs as things develop and Giordano has to take a substantial share of the blame for the whole debacle."

"The board has not got a grip on things and has allowed things to develop. ... [Giordano's] reign there has been nothing short of disgraceful."

He described the attitude of the non-executive directors as "supine" and said, if they had not done anything to prevent what has happened, he would favour their departure.

Another fund manager contacted yesterday said he was surprised by the turn of events at British Gas. So far institutions have held back from putting direct pressure on the company. But there is growing evidence of readiness to step in unless there are signs of quick action by management.

British Gas would not itself comment on weekend press reports of the boardroom row. A representative said yesterday: "As you can imagine, we are not commenting on articles which are pure speculation. Cedric Brown is the chief executive and that remains the position. Anything else is pure speculation."

But a source close to the company confirmed there was speculation within British Gas that Mr Brown will leave ahead of his planned retirement date.

Lloyd's pressed to find more cash for Equitas

JOHN EISENHAMMER
Financial Editor

The Department of Trade and Industry is putting pressure on Lloyd's to find more money for Equitas, the giant re-insurance company that is to take over all old, loss-making policies.

The demand aggravates a tense situation for the insurance market's management as it faces further slippage in the recovery plans amid persistent difficulties in getting market participants to contribute the required funds to the rescue.

The DTI, which has to approve Equitas before it can start up, is concerned that the reserving requirements calculated by Lloyd's are insufficient given the enormous uncertainties. "This is the biggest insurance company authorisation the DTI has ever done, so it is being very conservative. It really wants it to be over-reserved," said a source close to the negotiations.

In its reconstruction and renewal plan, Lloyd's budgeted for Equitas with capital of nearly £16bn, but now concedes that the DTI is looking at a range around that figure. Insiders say the DTI's wish for a "comfort margin" will require several hundreds of millions of pounds more.

The source said: "The DTI is telling Lloyd's it is trying to quantify the unquantifiable,

millions of possible insurance claims over the next 25 years, dependent on decisions in the US Congress and courts. So it needs to err on the side of extra caution."

Unable to get more money from hard-pressed names, and already embroiled in tense talks to get various groups of market professionals such as brokers and E & O insurers to meet the contributions earmarked in the existing recovery plan, Lloyd's and its adviser, NM Rothschild, are stepping up the search for large corporate capital contributions.

This was behind the recent rumour that Warren Buffett, the powerful US investor, was considering injecting sizeable funds into Equitas.

The giant re-insurance company is key to Lloyd's plans for survival. It is meant to begin operating in June, taking over all outstanding liabilities for pre-1993 policies, mainly for US asbestos and pollution claims, leaving a "New Lloyd's" unburdened to trade profitably into the future.

Some 34,000 names will be asked to pay a final individual premium to Equitas, totalling some £1.9bn, wiping their own liability slate clean. In return for this "finality" names will cease litigation against Lloyd's.

To ease the pain of these Equitas premiums, Lloyd's is working on putting together a £2.8bn

fund of credits and debt forgiveness as part of the reconstruction and renewal plan.

Names, who must vote on whether to accept this recovery plan, will receive their final premium bill only at the end of May or perhaps even June.

Lloyd's council is divided over whether to send out an early indication of Equitas premiums, which could be misleading at the end of this month. Wednesday's council meeting may call for another delay. Negotiations with key contributors to the settlement plan, notably the insurers for the market professionals, still show no sign of resolution, complicating the calculations.

The search for money to make up the £2.8bn fund for litigation and loss-making names received a boost with confirmation over the weekend of the sale of the landmark Lloyd's building in the City for £180m to the German property fund Despa.

The award-winning building, designed by Richard Rogers, was built 10 years ago for £300m as the symbol of the world's most prominent insurance market.

Having hit troubled times, wracking up losses of around £9bn since 1988, Lloyd's has been forced to find money from whatever quarter it can.

It is to lease the building back from the Germans.

Al-Fayed planning new watchdog body

MAGNUS GRIMOND

Sir Richard Scott, the judge heading the arms-to-Iraq inquiry, and Michael Lawrence, former chief executive of the Stock Exchange, are two of the names on the list to head a new corporate governance watchdog being established by Mohamed Al-Fayed, Harrods chairman.

Mr Al-Fayed, who has been heavily criticised for his own business methods, will this week write to around two dozen large fund managers to drum up support for his new body. He has already had two meetings with Derek Fowler, chairman of the Railways Pension Trustee Company, a big pension group which has already indicated its intention to become more active in this area, and hopes to obtain enough support from other fund managers to set up a meeting to establish the feasibility of the project.

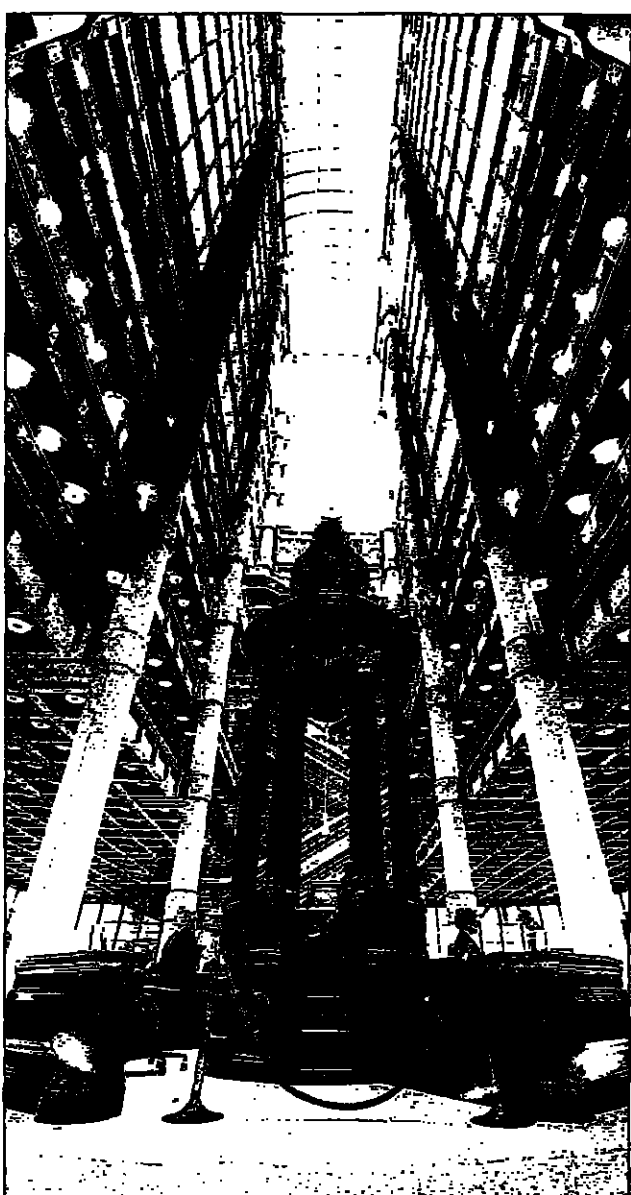
The idea is that the new body will act as a powerful and independent force to maintain best corporate practice and make directors accountable for their actions to shareholders and the investors they represent. Potential candidates to head the new body have not yet been approached, but a spokesman for Mr Al-Fayed said they would be seeking "someone of courage and determination, who is a seeker of truth and prepared to impose corporate governance

which acts in the interests of ordinary shareholders." He suggested that Sir Richard and Mr Lawrence were both independent-minded men who fitted that description.

The initiative comes after the December announcement by the Railways Pension Trustee Company that it was becoming one of the first occupational pension schemes to introduce a corporate governance policy covering the companies in which it invested. RailPen said then it would instruct the institutions which manage its pension funds to implement a code that involves voting at company meetings and taking a greater interest in company performance and strategy.

Mr Al-Fayed was spurred into action after reading of the RailPen move and met Mr Fowler to discuss ways in which the influence of fund managers could be brought to bear on companies. His spokesman said Mr Al-Fayed would underwrite the new body initially, then take a back-seat role.

Mr Al-Fayed was at the centre of a stormy corporate governance controversy during his long-running row with Tiny Rowland over the ownership of Harrods. He also feels aggrieved about being denied board representation on the board of the Sears stores group at a time when he was the largest shareholder.



£180m boost: The sale of the Lloyd's building is confirmed

OFT boss seeks wider powers

PETER RODGERS
Business Editor

Powers to compel companies to produce internal board documents used in takeovers and mergers are to be requested by John Bridgeman, the new director general of Fair Trading.

The proposals come as Ian Lang, president of the Board of Trade, prepares the terms of reference for a new consultative document on reform of competition policy, which is expected to include much tougher powers of investigation for the OFT.

Mr Bridgeman said the OFT currently has no powers to seize internal board papers and other similar documents. The OFT was sometimes able to per-

suade companies to produce the documents but it had no right to do so and its powers in this area were limited.

Mr Bridgeman said "We're able to see the paper case put up to a board of directors to secure their approval to a hostile takeover. I would get a pretty good insight into what was in the minds of the management embarking on that takeover."

He added: "Even in a friendly merger, the same papers put to the respective boards of directors would be most helpful in coming to a quick view on the matter. Extra power to demand information and supporting documents would be invaluable."

Mr Bridgeman would like new powers to obtain docu-

ments both in merger and monopoly cases in the UK. On occasions when he acts in the UK on behalf of European competition authorities he already has powers to search and seize, which he called draconian.

But Mr Bridgeman said that if he had the powers in UK law to acquire documents, then they would be requested and provided through lawyers and search and seize never becomes an issue. It is disclosure in other words - we would want the legal privilege to have documents disclosed and to form a view. ... Anything that can get the job done quicker has got to be good." He would also seek powers to ring fence the activities of firms after a merger.

Profile, page 17

Fraud jurors 'need 'O' level'

DAVID HELLIER

John Wood, the first director of the Serious Fraud Office, has called for jurors in serious fraud trials to have at least an 'O' level in English and maths and preferably also an 'A' level in maths. He also believes a jury in a fraud case ought to consist of about six or seven members rather than the current 12.

Mr Wood reveals his thoughts on the composition of juries and other matters later this week when he speaks at a seminar on the London markets organised by the law firm, Denton Hall.

Speaking in the wake of the Maxwell acquittals, Mr Wood says he thinks the system for prosecuting corporate fraud in

this country "needs reform." He argues that there is no alternative to prosecuting cases in the criminal courts, but believes that the authorities should be more selective about the cases they take on and thinks there are cases which currently go to court that ought to be dealt with by way of a semi-criminal route.

He believes that there should be one regulatory body, similar to America's Securities and Exchange Commission, which is capable of drawing all the regulators under its wing.

Until that time, however, he says he hopes the Government "will pay considerable attention to improving the manner in which criminal trials take place to assist the public by reducing the number of jurors in fraud

cases and make their task a great deal more tolerable."

He adds: "I am sure that if the intellectual ability of the jury is improved it will mean that these cases will take far less time to try and that in itself should be a great advance on the present situation."

Mr Wood strongly disagrees with the view that juries are not capable of trying serious fraud cases, though. "No one doubts the stress and strain upon jurors but, equally, no one can doubt that the Maxwell jury must have approached its task in an entirely responsible manner."

Mr Wood says he does not believe the adverse comment about the SFO from the media and some MPs accurately reflects its reputation.

IN BRIEF

Redland mulls sale of bricks business

Redland will today confirm that it is considering the sale of its bricks division and looking at a restructuring of its stake in Braas, the successful German roof tiles subsidiary. The moves are part of a strategic review initiated by Rudolph Agnew, Redland's new chairman, and Robert Napier, chief executive. It is thought that there are no plans to buy out the 49 per cent minority in Braas, but the British group could inject assets into the business.

Fleming launches first Islamic fund

The first Western fund with its own board of Sharia scholars to attract Islamic investors is to be launched by Robert Fleming. The London-based merchant bank hopes eventually to pull in between £70m and £100m from wealthy Islamic investors in Europe and the Far East who have in the past been restricted in what they put their money into by strict religious laws. The Oasis fund will be registered and listed in Luxembourg. The supervisory board will keep it clear of areas such as alcohol, gambling and pornography. Fleming hopes to capitalise on the shift in recent years to a more liberal attitude on interest among Islamic scholars, making equity investment more acceptable.

PPP not to float

PPP health-care group has denied speculation it is considering a flotation. Currently a provident institution, PPP has announced a corporate restructuring to allow it to raise outside finance. This new organisation will see the main operating division convert from a company limited by guarantee - which cannot issue shares - to an authorised insurance company having plc status. The share capital will ultimately reside with a medical charity. PPP health-care medical trust.

Stadium comes to market

Stadium Group, an engineering group specialising in plastic and electronic parts, is coming to the stock market with a value of around £30m. The group will raise £10m from a placing scheduled for some time in the next three months. Profits have grown from £1.25m to £1.44m in the last five years.

Cannon moves to Hardy

Hardy Oil & Gas has appointed Anne-Marie Cannon as its new corporate development director. Ms Cannon - who is understood to have turned down five jobs with investment banks to take the job - was formerly at Shell Expro and Schroders Corporate Finance.

STOCK MARKETS									
FT-SE 100									
	3781.30	+46.6	+1.2	3781.30	2954.20	3.79			
FTSE 250	4152.20	+66.6	+1.6	4152.20	3300.90	3.53			
FTSE 350	1879.20	+24.6	+1.3	1879.20	1482.40	3.73			
FT Small Cap	2024.97	+19.4	+1.0	2024.97	1678.61	3.10			
FT All Share	1852.65	+23.8	+1.3	1852.65	1499.23	3.69			
New York	5373.99	+102.2	+1.9	5405.06	3832.08	2.24			
Tokyo	20804.03	+240.2	+1.2	20835.12	14485.41	0.741			
Hong Kong	11469.40	+357.5	+3.2	11469.40	6967.93	3.231			
Frankfurt	2452.06	+18.1	+0.8	2470.14	1970.96	1.821			

Source: FT Information

INTEREST RATES									
UK interest rates									
Benchmark yield curve 0-25 year gilt (%)									
1 Month	6.31	6.08	7.59	8.58	7.73	8.56			
1 Year	5.25	5.00	5.59	7.51	6.10	7.64			
5 Year	0.41	0.78	2.87	4.88					
10 Year	3.37	3.16	5.98	7.41	6.82				
US interest rates									
Benchmark yield curve 0-30 year bond (%)									
1 Month	6.31	6.08	7.59	8.58	7.73	8.56			
1 Year	5.25	5.00	5.59	7.51	6.10	7.64			
5 Year	0.41	0.78	2.87	4.88					
10 Year	3.37	3.16	5.98	7.41	6.82				
Money Market Rates									
1 Month	6.31	6.08	7.59	8.58	7.73	8.56			
1 Year	5.25	5.00	5.59	7.51	6.10	7.64			
5 Year	0.41	0.78	2.87	4.88					
10 Year	3.37	3.16	5.98	7.41	6.82				
Bond Yields									
1 Month	6.31	6.08	7.59	8.58	7.73	8.56			
1 Year	5.25	5.00	5.59	7.51	6.10	7.64			
5 Year	0.41	0.78	2.87	4.88					
10 Year	3.37	3.16	5.98	7.41	6.82				
MAIN PRICE CHANGES									
Gen Cable	193	20	15.6	Celltech Group	475	182	27.7		
Yorkshire Elec Grp	752	74	10.9	British Biotech	1975	375	16.0		
Capital Radio	628	59	10.4	Albert Fisher Grp	46.5	3.5	7		

CURRENCIES																																													
£/\$ 					£/DM 																																								
Pound vs. <table border="1"> <thead> <tr> <th>Close</th> <th>Week's Chg</th> <th>Yr Ago</th> </tr> </thead> <tbody> <tr> <td>\$ (London)</td> <td>1.5189 +1.59c</td> <td>1.5645</td> </tr> <tr> <td>\$ (N York)</td> <td>1.5255 +2.20c</td> <td>1.5655</td> </tr> <tr> <td>DM (London)</td> <td>2.2589 +1.77p</td> <td>2.425</td> </tr> <tr> <td>¥ (London)</td> <td>162.03 +¥1.704</td> <td>156.09</td> </tr> <tr> <td>£ Index</td> <td>83.7 +0.6</td> <td>84.5</td> </tr> </tbody> </table>					Close	Week's Chg	Yr Ago	\$ (London)	1.5189 +1.59c	1.5645	\$ (N York)	1.5255 +2.20c	1.5655	DM (London)	2.2589 +1.77p	2.425	¥ (London)	162.03 +¥1.704	156.09	£ Index	83.7 +0.6	84.5	Dollar vs. <table border="1"> <thead> <tr> <th>Close</th> <th>Week's Chg</th> <th>Yr Ago</th> </tr> </thead> <tbody> <tr> <td>£ (London)</td> <td>0.6584 -0.69</td> <td>0.639</td> </tr> <tr> <td>£ (N York)</td> <td>0.6555 -0.96</td> <td>0.638</td> </tr> <tr> <td>DM (London)</td> <td>1.4872 -0.40p</td> <td>1.55</td> </tr> <tr> <td>¥ (London)</td> <td>106.680 +¥0.005</td> <td>99.77</td> </tr> <tr> <td>£ Index</td> <td>86.4 -0.4</td> <td>86.1</td> </tr> </tbody> </table>					Close	Week's Chg	Yr Ago	£ (London)	0.6584 -0.69	0.639	£ (N York)	0.6555 -0.96	0.638	DM (London)	1.4872 -0.40p	1.55	¥ (London)	106.680 +¥0.005	99.77	£ Index	86.4 -0.4	86.1
Close	Week's Chg	Yr Ago																																											
\$ (London)	1.5189 +1.59c	1.5645																																											
\$ (N York)	1.5255 +2.20c	1.5655																																											
DM (London)	2.2589 +1.77p	2.425																																											
¥ (London)	162.03 +¥1.704	156.09																																											
£ Index	83.7 +0.6	84.5																																											
Close	Week's Chg	Yr Ago																																											
£ (London)	0.6584 -0.69	0.639																																											
£ (N York)	0.6555 -0.96	0.638																																											
DM (London)	1.4872 -0.40p	1.55																																											
¥ (London)	106.680 +¥0.005	99.77																																											
£ Index	86.4 -0.4	86.1																																											
OTHER INDICATORS																																													
<table border="1"> <thead> <tr> <th>Close</th> <th>Week's chg</th> <th>Year Ago</th> </tr> </thead> <tbody> <tr> <td>Oil Brent \$</td> <td>16.75</td> <td>+0.25 17.16</td> </tr> <tr> <td>Gold \$</td> <td>415.40</td> <td>+9.80 375.9</td> </tr> <tr> <td>Gold £</td> <td>273.48</td> <td>+3.62 240.032</td> </tr> </tbody> </table>					Close	Week's chg	Year Ago	Oil Brent \$	16.75	+0.25 17.16	Gold \$	415.40	+9.80 375.9	Gold £	273.48	+3.62 240.032	<table border="1"> <thead> <tr> <th>Index</th> <th>Latest</th> <th>Yr Ago</th> <th>Next Ftg</th> </tr> </thead> <tbody> <tr> <td>RPI</td> <td>150.7</td> <td>+3.2pc 2.9</td> <td>15 Feb</td> </tr> <tr> <td>GDP</td> <td>106.9</td> <td>1.8pc</td> <td>22 Feb</td> </tr> <tr> <td>Base Rates</td> <td>—</td> <td>6.25pc 6.75</td> <td>—</td> </tr> </tbody> </table>					Index	Latest	Yr Ago	Next Ftg	RPI	150.7	+3.2pc 2.9	15 Feb	GDP	106.9	1.8pc	22 Feb	Base Rates	—	6.25pc 6.75	—								
Close	Week's chg	Year Ago																																											
Oil Brent \$	16.75	+0.25 17.16																																											
Gold \$	415.40	+9.80 375.9																																											
Gold £	273.48	+3.62 240.032																																											
Index	Latest	Yr Ago	Next Ftg																																										
RPI	150.7	+3.2pc 2.9	15 Feb																																										
GDP	106.9	1.8pc	22 Feb																																										
Base Rates	—	6.25pc 6.75	—																																										

No reason to copy the fading German miracle

GAVYN DAVIES

'Rising costs and an expensive currency have resulted in a poor export performance. This has been only partly compensated by the fact that import growth has been held down by the tight domestic monetary policies followed by the Bundesbank'

For as long as most people can remember, we in Britain have been casting envious glances at the Germans, wishing that our economic performance could be more like theirs. Recently, this tendency has taken a new twist, with Tony Blair's adoption of the stakeholder principle – a principle that was clearly at the heart of the German success in the 30 years after the war. But ironically an unprecedented degree of pessimism is erupting in Germany itself about its own economic future. It would be going much too far to say that Germans have started to cast envious glances in our direction, but with their economy teetering on the brink of a recession which seems to have had no obvious short-term trigger, there is certainly a realisation that much in their system may need to be changed.

For the "locomotive" economy of Europe, Germany's recent economic performance has been dire. In the four years from 1992-95, GDP growth averaged only 1 per cent per annum in the western sector. The German unemployment rate is touching 10 per cent, compared with only 6 per cent before unification (and only 8 per cent in the UK today). Furthermore, the growth in labour productivity in the business sector in Germany since 1979 has been a puny 0.9 per cent a year, less than half that in the UK, and the third-worst record in the OECD.

Not only has productivity growth been sputtering, but job creation has been anaemic as well, an unusually unpleasant combination. Two sectors have been primarily responsible for job creation in developed economies in the last decade – business and

financial services, and self-employment. In the first, Germany's record is the worst in the OECD. In the second, it has managed no growth at all, compared with almost 6 per cent per annum in the UK.

Increasingly, this dismal performance seems due to an over-regulated economy, and a labour market that is pricing workers out of jobs. During the 1980s, the increase in real wages for low-paid workers in Germany – the group most at risk from unemployment – averaged 2.6 per cent per annum, the highest rate of increase in the developed countries. In the US, the same group saw real wages dropping by 1.3 per cent per annum, while in the UK the increase was only 0.9 per cent per annum. The result was much less job creation in Germany than in the Anglo-Saxon economies.

In addition, the tax and social security burden on top of wages is unusually high in Germany. Together, these extra burdens represent 41 per cent of German labour costs, against 28 per cent in the UK and 29 per cent in the US. Although German workers remain much more productive than most other OECD workers, mainly because of higher levels of plant and machinery at their elbows, it is becoming increasingly difficult for them to compensate for the burden imposed on them by the federal government.

For many years, German entrepreneurs have reacted to these problems by voting with their feet, and leaving the country. To a larger extent than in other comparable economies, German firms have been building up plant and equipment in foreign countries, rather than at home. Direct for-

ign investment has averaged about 1 per cent of GDP each year in the past decade, and last year it reached a record of around DM40bn, equivalent to over 5 per cent of domestic investment.

Ignoring the effects of capital depreciation, the past decade of foreign investment has, on its own, reduced the sustainable level of GDP by over 3 per cent. And many projects cancelled because of lack of profitability in Germany have disappeared, so the build-up in foreign investment probably understates the true "hollowing out" problem by a wide margin.

How can we be sure that the rise in foreign investment reflects problems within Germany rather than the intrinsic attractiveness of investment opportunities in emerging economies? The accompanying graph shows that those countries which have invested most abroad tend to have the

highest levels of domestic wage costs, measured in a common currency (dollars). Furthermore, for any given level of wage costs, those countries with stringent regulatory standards in the labour market have a higher leakage of investment overseas than those with flexible labour standards. So there is some evidence that entrepreneurs are responding rationally to the incentives offered to them by labour market conditions in various economies.

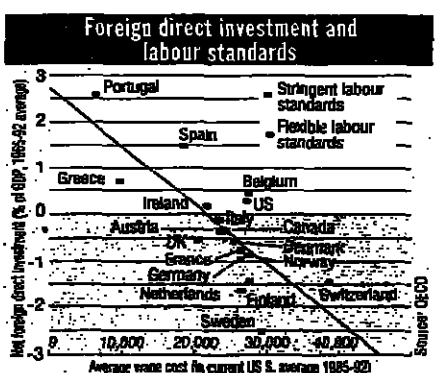
In Germany's case, though, a persistent over-valuation in the exchange rate has added to the problem of excess labour costs, and a rigid labour market, at home. In nine of the last 10 years, German export deliveries have grown less rapidly than export markets, a record of lost market share unparalleled elsewhere in the OECD (except in the even more chronically over-valued Japan). Although the visible trade balance has managed to remain in surplus (largely because the domestic economy has been thrown into imbalance, with unemployment embarking on a persistently rising trend) the current account of the balance of payments has deteriorated alarmingly. In the mid-1980s, it was in surplus by around 4 per cent of GDP; now it is in deficit by 1 per cent of GDP, and widening.

Essentially, rising costs and an expensive currency have resulted in a poor export performance. This has been only partly compensated by the fact that import growth has been held down by the tight domestic monetary policies followed by the Bundesbank. Without these tight policies, inflation in Germany would have risen – instead, the

exchange rate has been pushed up, the economy has been deflated, and the underlying problems are seen in rising unemployment.

Although these problems have been around for a long time, they have only recently been fully recognised inside Germany. The sudden collapse in economic growth last autumn was no doubt precipitated partly by the rise in the mark against the dollar and the lira earlier in the year, and by the fact that excess inventories had been accumulated during 1994. But these short-term factors do not seem sufficient to explain the full severity of the collapse in business confidence in recent months, and at last the government seems to be waking up to the need for structural reform. Even the Bundesbank has changed its spots, and seems desperate to push the mark at least 10 per cent lower against the dollar. Yet the Kohl government has often in the past promised much more than it has delivered when it comes to reducing taxation and regulatory burdens. Last week's "structural" package promises tax cuts of DM16bn next year (0.5 per cent of GDP). This combined with the current burst of monetary easing is likely to induce some recovery in economic growth in the months ahead. But it will take much more dramatic action to put the locomotive economy fully back on its tracks, and that seems as far away as ever.

Many aspects of the stakeholder system, such as the long-termism it breeds in industry, are still attractive. But, taken overall, the social market economy in Germany is no longer producing the goods, and has as much to learn from us as we have from it.



The new head of the OFT wants sweeping reforms and new powers unlikely to endear him to the City. **Peter Rodgers reports**

A poacher turns into a sceptical gamekeeper

THE MONDAY INTERVIEW
JOHN BRIDGEMAN

There were unfair suspicions last year that decades as a senior manager in a multinational would make John Bridgeman, the new director general of fair trading, a touch too sympathetic to the views of big business.

The evidence of his first four months in office appears to be pointing the other way – perhaps even to a poacher turned gamekeeper rather than a fox loose in a chicken run.

In an interview last week he promised the OFT would take the lead in co-ordinating Britain's multitude of consumer pressure groups and he displayed deep scepticism about the takeover fever that has been sweeping British boardrooms for more than a year.

He said he would press the Government for a range of new investigation powers, including the ability for the first time to demand confidential boardroom papers during takeover bids.

Mr Bridgeman is developing a new consumer affairs strategy as a priority, starting with nationwide consultations about how to bring together the efforts of the OFT, 150 local authority trading standards offices, the Consumers Association, the National Consumer Council and a host of specialist consumer protection bodies for the utilities and other organisations.

There is a tremendous amount of interest in consumer issues but a lack of structure, leadership, focus and priorities. There is a lot the OFT can do to fill the gap," he says.

His message to consumerists was: "The ammunition is short, gentlemen, let's count our rounds carefully."

The first results of this exercise in what he called "consultation, participation and co-operation" are to be unveiled at an Institute of Trading Standards conference in June.

Mr Bridgeman moved on from plans for consumerism to display an insider's distrust of the claimed benefits of the merger and takeover boom under way for more than a year.

He says: "I made my first acquisition in 1975 and my last in 1995 and have had more than 20 years in the mergers and acquisitions world."

He cited the uncertainties, the cost in fees and the management time involved in takeovers, said he was suspicious of the efficiency gains claimed by bidders, and added for good measure that the costs of mergers frequently outweighed the benefits.

To make doubly clear where he came from on these issues, he praised the views of Professor John Kay, the economist who has developed a highly sceptical line about the benefits to firms and the economy of the City-driven takeover culture.

Mr Bridgeman said he thought Professor Kay was on the right lines when he pointed out that Japanese and American firms are large because they

have been successful, not successful because they are large.

This strand of thinking goes against the view often ascribed to Michael Heseltine, the Deputy Prime Minister, that Britain needs strong national champions in industry, and that sometimes competition considerations need to be overridden to produce them.

Mr Bridgeman launched a high-profile inquiry into BSkyB, and displayed a suspicious attitude to the motives behind mergers of companies in dissimilar industries when he tried to have the North West Water takeover of Norweb, the electricity company, referred to the Monopolies and Mergers Commission. He found himself overruled in the end by Ian Lang, Mr Heseltine's successor as President of the Board of Trade.

Mr Bridgeman is philosophical about his first public rebuff. He says: "You have to allow people in government to discharge their responsibilities. The regulators' concerns are very important but they are one among other interests that have to be borne in mind as well."

The new director general has arrived at a critical point, when the Labour Party is promising a wide-ranging overhaul of competition policies and the Government has promised more limited changes, bringing a golden opportunity to influence both.



'Ammunition is short, count the rounds carefully': John Bridgeman plans to plug the gaps

Photograph: Jane Baker

Mr Bridgeman does not go as far as his two predecessors, Sir Bryan Carsberg, an accountant, and Sir Gordon Borrie, a lawyer, in backing radical reforms. He is against Labour's plan to merge the OFT with the Monopolies Commission.

Neither does he subscribe to Labour's liking for a wholesale switch to a European system in which the new single competition body would have tremendously wide powers to fine companies and issue bans against monopoly practices.

He believes the advantage of

UK law is that it gives the competition authorities a broad test of the public interest and wide discretion.

However, Mr Bridgeman said he had no objection in principle to Labour's plans to force companies to prove mergers are in the public interest before they are approved. He suggested this could suppress some takeover activity but "not necessarily radically change the pattern of business behaviour in battles for corporate control".

In the same vein, Mr Bridgeman was sympathetic to a proposal by Graeme Odgers, chairman of the Monopolies and Mergers Commission, to give the OFT rather than ministers the power to initiate merger inquiries. He thought this a change of emphasis and less radical in practice than it sounded.

Though revolution may not be his style, Mr Bridgeman has his own long shopping list for the consultative document that Mr Lang has promised to publish later this year. It includes items that will not be at all welcome to City corporate finance departments. A power to seize

internal board papers and other similar documents would be useful for tackling UK cartels and monopolies as well as merger cases. "Anything that can get the job done quicker is bound to be good," he says.

Another power Mr Bridgeman would like is to ring-fence merged firms so they cannot make irreversible changes before the OFT or the MMC has investigated. Of more than 100 mergers since Mr Bridgeman took over, 40 have been presented to him as a *fait accompli*, after completion. "Let's say

two bus companies merge and we conclude there is a reduction of competition and a lack of consumer choice and that the only remedy is divestment. "If by the time we get to XYZ town we find the depot closed, the buses sold off to Thailand and the people have been made redundant, there is nothing we can do about it. We'd like to be able to tell them to ring-fence the assets till we have considered our response."

He says the area where reform is most urgently needed is the Restrictive Trade Practices Act, where the OFT first has to go through long-winded procedures to obtain court orders to ban price-fixing, market-sharing and bid-rigging.

Astonishingly, no fines can be imposed, except for contempt, if the miscreants subsequently defy the court.

Although Mr Bridgeman is against a wholesale switch to the European system of bans and fines, he thinks they would be a useful weapon against three common problems in the UK.

The best known is predatory pricing when, for example, a supermarket sets very low prices for bread to put the local bakery out of business. The second area is where manufacturers refuse to supply shops unless their whole product range is stocked; the third is straightforward refusal to supply goods.

While reform of competition law is on the agenda of both main political parties, ideas have been in a state of flux since a government White Paper in 1989 which Mr Bridgeman believes was too sympathetic to importing European legislation. "Thank heavens we didn't go along with that. Much of what will emerge from the Government's current consultation round will be quite different," he says.

Recovery may be in sight but the bubble hangover lingers on

VIEW FROM
TOKYO

Kasumigaseki, the home of the Japanese bureaucracy, and Tokyo's equivalent of Whitehall, is a alarming place to work at the moment. Every day for the last fortnight, civil servants scurrying into the great ministries have been assailed by amplified slogans delivered from black vans by right-wing demagogues. The ultra-nationalists are furious at a government plan to bail out a group of bankrupt mortgage companies with as much as ¥1,200bn public money – last month, one of them became so irate he drove his van into the gate of the Ministry of

The public is in no mood to have cash squandered

Finance where it caught fire. On Friday, a group of ordinary citizens expressed their disgust by pelting the portals of the Ministry of Finance with eggs. In Kasumigaseki, the year of the Rat has got off to a very tough start.

But after a run of bad publicity – from the Daiwa Bank losses to financial scandals involving bureaucrats – the government appears to have some good news. In its monthly report on the economy, the Economic Planning Agency may make

the announcement Japan has been awaiting since 1992: that, after four and a half years of near-zero growth, the economy has started to stir once again.

Whether or not the EPA uses the magic word "recovery", there appear to be good reasons for low-key optimism. The mighty yen, which last April was strangling export industry at a high of ¥79.75 to the dollar, is back under control – the dollar was trading last week at about ¥107. After an alarming plunge last summer the Nikkei Average is comfortably above 20,000, after a low of 14,295 in July. And recently published economic data suggest persuasively that the economy turned a corner at the end of last year, and that the hangover from the bursting of the late Eighties bubble is beginning to clear.

Industrial output rose for the third successive month in December, up a modestly cheering 0.8 per cent, after a 1.5 per cent rise in November. Housing starts in the same month were also up a fraction, and machinery orders rose 2.1 per cent. These good omens notwithstanding, there is a palpable reluctance among analysts and bureaucrats to finally utter the R-word. "The next couple

of quarters will provide some real growth surprises," says Jesper Koll of JP Morgan, "but after that the risk of a brake on the economy is very high."

All responsible analysts echo this caution. In hangover terms the fear is this: that, despite purging itself of the excesses of the bubble, the poor old economy is still in a nauseous and vulnerable state, liable at any moment to come down with a stinking cold.

Those modest growth indicators are balanced by an alarming number of stubbornly negative factors, which suggest that ordinary Japanese are unlikely to feel the benefits of the putative recovery for a long time. Unemployment remains at a record 3.4 per cent but possibly twice as much again. The social stigma of claiming welfare and the discrimination of Japanese companies to sack workers, makes counting the unemployed a difficult task. Firms have dealt with the slump by freezing recruitment rather than imposing redundancies: among the 15-24 age bracket, unemployment is 6.1 per cent, and many of the jobless graduates generated by this policy are unregistered.

So it is a little suspicious to

find that personal consumption is on a gentle upward incline. Pessimistic economists explain this by reference to the unprecedented series of national disasters that struck Japan last year. After the Kobe earthquake, and the Sarin nerve-gas attack on the Tokyo subway, the naturally cautious Japanese householder reacted by cutting his spending and saving his income. The lowering of this psychological barrier has produced the illusion of a consumer boom, which – the reasoning goes – will dissolve in the face of growing unemployment.

In a sense, the apparent upturn should come as no surprise. Last August, a ¥73,000bn public spending programme was unveiled by the government, criticised at the time as an unimaginative response to the crisis of stagnation. Given its scale what is perhaps most striking about the glimmerings of recovery is how faint they have been. The government's huge payout has contributed to a budget deficit expected to amount to 6.2 per cent of GDP this year. Even if there were ready funds for another public spending spree, the public is in no mood for further squandering of its tax cash.

When last year's dose of fiscal Paracetamol wears off, the recessionary headache may throw as painfully as ever.

Richard Lloyd Parry

BUSINESS TO BUSINESS

Opportunities

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

The British Franchise Exhibitions

LONDON
Exhibition Centre
Friday 15th June - Sunday 17th June 10am - 4pm March 1996

EDINBURGH
RCA Exhibition Centre
Friday 15th June - Sunday 17th June 10am - 4pm April 1996

MANCHESTER
G-MEX Centre
Friday 15th June - Sunday 17th June 10am - 4pm June 1996

Call Sarah Hamilton now on 0171 727 8400 for Visitor Information Pack & Ticket (price £10)

Opportunities

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Opportunities

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Opportunities

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Opportunities

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Opportunities

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Opportunities

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Franchises

Opportunities

Franchises

Franchises

Franchises

Franchises

SCIENCE

Should we bury nuclear waste? Stephen Goodwin and Tom Wilkie sift evidence to the Nirex inquiry

Between a rock and a hard case

After five months and the expenditure of more than £10m, life returns to whatever passes for normal this week for a group of scientists, green activists, lawyers, and public servants following the end of a public inquiry into the key stage of a £2bn nuclear waste dump.

UK Nirex, the state-owned nuclear waste company, itself spent almost £10m on presenting its case, with a team of 44 staff working in a suite of offices refurbished at a cost of £100,000, in an old mill building opposite the draughty civic hall in Cleator Moor, west Cumbria.

The inquiry was ordered when Cumbria County Council refused Nirex's application to build the underground laboratory, known as a Rock Characterisation Facility (RCF), at Longlands Farm, near Gosforth on the western fringe of the Lake District National Park. Two shafts would be sunk – the deepest to 920 metres – and galleries excavated to test the suitability of the Borrowdale volcanic rock for storing radioactive material for 100,000 years.

Environment campaigners believe they have shown Nirex's scientific case for pressing ahead with a rock laboratory on the edge of the Irish Sea to be "fundamentally flawed". The Dublin government made an unprecedented appearance at the inquiry to issue a thinly-veiled threat to oppose the project in the European Court of Justice. And even a local community with thousands of jobs tied up in the nuclear industry made plain their distrust of the waste company.

Nirex hopes the £195m laboratory would confirm its assertion that the site holds "good promise" for a repository to take the waste from British Nuclear Fuel's Sellafield reprocessing plant, only two miles away. Waste equivalent to a football pitch 40ft deep is now stored above ground, two-thirds of it at Sellafield.

But Guy Richardson, Cumbria's head of planning, says Nirex had chosen Sellafield primarily because of its proximity and because the company feared local opposition if it tried to bury the waste in areas of Britain unfamiliar with the

nuclear industry. Nirex would not reveal the other 11 sites on its shortlist, but it was confidently asserted around the inquiry that a more geologically simple one was in East Anglia.

"We know that the geology and hydrogeology at the Sellafield site is so complex and unpredictable that even if an RCF were to proceed it will be extremely difficult to make a robust safety case," Mr Richardson says.

Friends of the Earth maintains that its seven expert witnesses inflicted a "scientific defeat" on Nirex, despite a claim by the company that it would pull them apart in cross-examination.

FOE asserts that to go underground now would be premature, and that another five to 10 years of investigation needs to be done through bore holes and other surface work. The shafts to the RCF will disturb the natural patterns of ground water movement – and ground water is a crucial aspect if safety is to be assured. The risk is that underground water might dissolve radioactive elements out of the buried waste and carry

them back to the surface to contaminate drinking water. A complete baseline picture of the undisturbed rock needs to be obtained, according to FOE.

Dr Patrick Green, FOE's senior nuclear campaigner, says: "It is right on the cutting edge of science, so what is an extra 20

years of research on a timetable of 100,000 years?"

But Michael Folger, Nirex's chief executive, calculates delay in terms of the £33m in interest payments for each extra year – "The granting of planning permission... would not commit us to developing a repository at Sellafield. If underground research

shows that the site would not be suitable, Nirex would walk away." The company has already spent £400m at Sellafield.

The inquiry sat for 66 days, and heard 73 witnesses, 18 of them appearing for Nirex. More than 1,000 documents were submitted, plus 2,585 written representa-

tions. Chris McDonald, the planning inspector who conducted the inquiry, is expected to hand his report and recommendations to the Secretary of State, John Gummer, around the end of October. Nirex's working assumption is that Mr Gummer will deliver his verdict in spring 1997.



Waste disposal unit? Fields near the Sellafield plant where Nirex hopes to sink its controversial underground laboratory

Photograph: Craig Easton

Alien life forms with liquid assets

Nigel Henbest and Heather Couper on vital signs from the 'new' planets

Last month two American astronomers announced their discovery of two planets, one in the Great Bear constellation and the other in Virgo, at a meeting of the American Astronomical Society in Texas. In the same breath came pronouncements about life there – according to the society, "the conditions indicate that life as we know it could exist on those planets".

It would indeed be ironic if the first life we found beyond Earth was in orbit around the obscure stars 47 Ursae Majoris or 70 Virginis. Astronomers have scoured the planets of our solar system for decades, in a hunt for even the tiniest living microbes.

Against this disappointing background runs one growing gleam of hope: the raw materials for life are turning out to be two-a-penny throughout our solar system and well beyond. In the Sixties, astronomers found huge dark clouds in our galaxy, the Milky Way, full of organic mol-

ecules. The Voyager 1 spacecraft discovered a moon of Saturn covered with an orange veil of organic material. And in 1986, Europe's Giotto spacecraft found that the icy nucleus of Halley's Comet was coated with black organic compounds.

No one doubts that the two newly discovered planetary systems must also be thick with the basic molecules of life. But how do they turn into living creatures? Astronomers are now focusing on one essential ingredient: liquid water.

What keeps us alive are chemical reactions in the watery interior of our cells. Astronomers think that simple one-cell organisms may well have formed in early oceans on our two neighbouring planets.

Given water, the range of life on Earth is wider than anyone had anticipated even a few years ago. Most surprising are animals and plants that live miles below the ocean surface. Instead of living off light and oxygen, they rely

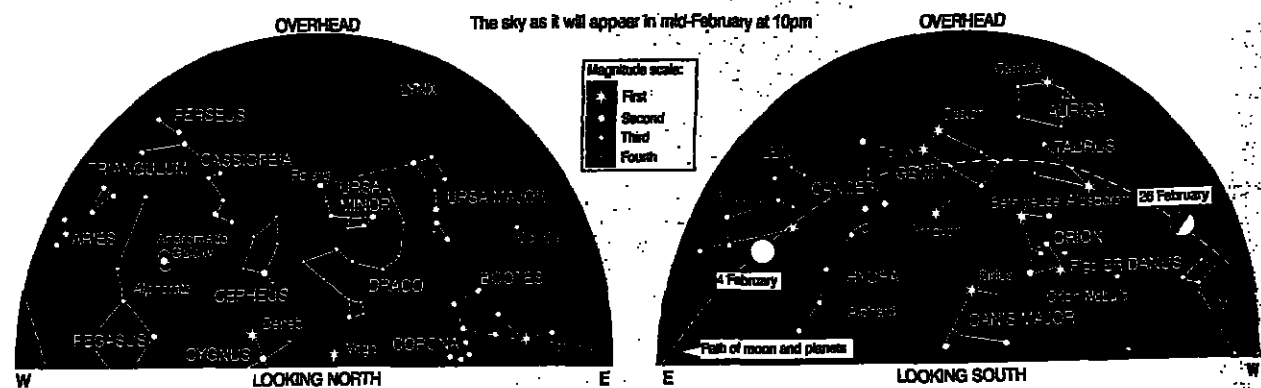
on sulphurous gases and heat from volcanic vents, the "black smokers". This emphasis on liquid water has shifted attention to our solar system to Europa, one of Jupiter's moons. At this distance from the Sun, Europa's surface is frozen solid; but the moon's core is probably hot and may erupt black smokers into a deep ocean beneath the ice.

Although astronomers speak confidently of good conditions for life on the new planets, they have yet to see these new worlds. Geoff Marcy and Paul Butler, the planets' co-discoverers, were really observing the motion of their parent stars, using a large telescope at the Lick Observatory in California. They found that each star was wobbling very slightly backwards and forwards, as it was dragged around by an unseen companion. In both cases, the companion weighs in about the same as our solar system's largest planet, Jupiter.

The planet circling 47 Ursae

Majoris is about as far from its star as Mars lies from the sun. Although Mars is frozen, this world is big enough to exude heat of its own, which may raise temperatures above freezing point. The other planet orbits 70 Virginis at roughly Venus's distance from the Sun. Its temperature works out to 85C. "That's cool enough to permit complicated organic molecules," calculates Marcy, "and because 85C is below the boiling point of water, this planet could conceivably have rain or even oceans."

But even if these worlds do not turn out to be the home of alien life, they may show the way. Any alien astronomers living some 35 light years away from our Sun would pick out the wobbles due to Jupiter, but would detect no sign of its smaller kin, including the Earth. In the long run, their role may be as signposts: "Here is a planetary system: look harder, and you may hope to find a second Earth."



What's Up Venus is set for a long session holding centre-stage this spring. It is a dazzling object in the western sky after sunset, and this month shines at magnitude minus 4 – 10 times brighter than Sirius. Mid-month, it sets four hours after the Sun. Look for a stunning grouping of Venus and the crescent moon on 22 February.

On February 12, Earth passes through Saturn's ring plane. From now until 2009, we will see the south face of its rings illuminated. Saturn's next-door giant world, Jupiter, is now rising two hours before the Sun. Mercury, too, comes up an hour and a half before sunrise.

The constellations on view are starting to take on a spring-

like appearance, with Orion and his entourage beginning to slip down towards the west. Gemini rides high in the south, and to the left is the dim and uncrab-like constellation of Cancer. Look – with binoculars – in the small triangle of stars at Cancer's heart to locate a large, faint cluster of stars. It is commonly called the "Manger" or

the "Beehive", although ancient Chinese astronomers knew it as the "exhalation from piled-up corpses".

Diary (all times GMT)
11.9.00pm Mercury at greatest western elongation
12.8.37am Moon at last quarter
18.11.30pm New Moon
26.5.52am Moon at first quarter

Only Cellphones Direct can offer a range of bargains like this.

NEW MODEL
£9.99
INC. VAT

NOKIA MODEL 909.
◆ 40 name/memory ◆ 60 mins talk-time ◆ 10 hrs standby-time ◆ Complete with slim battery and fast charger ◆ Lightweight 193g

When it comes to the best mobile phone deals, nobody beats Cellphones Direct. Just take a look at these February special offers, for example. We've slashed the price on the Motorola Micro-Tac Duo. We have an exclusive package deal on the top-selling Sony CM-R111K, Britain's smallest phone. Or you can be among the first to buy the exciting new, lightweight Nokia 909.

Which ever phone you choose you get free connection to Vodafone LowCall Tariff. Simply phone us with your credit card details to receive your phone within 4 working days.

FREE LINE RENTAL UNTIL 1st MAY 1996
£19.99
INC. VAT

SONY
MODEL CM-R111K.
◆ 9 speed dial memories ◆ 60 minutes talk-time ◆ 14 hrs standby-time ◆ Featherweight only 185g (6½oz) ◆ Complete with charger and standard battery

LIMITED OFFER
99p
INC. VAT

MOTOROLA
MODEL MICRO-TAC DUO.
The pocket phone with the unique Motorola flip.
◆ 60 mins talk-time ◆ 8 hrs standby-time ◆ Complete with ultra-slim battery and built-in charger ◆ Lightweight approx 245g

PLUS
SONY REMOTE COMMANDER
SONY EARPHONE MICROPHONE
SONY LONG AERIAL
TOGETHER WORTH £139.99

GUARANTEED PEACE OF MIND
Your phone is covered by our 14 days no quibble money back promise.

CALL NOW FOR FREE DELIVERY IN 4 WORKING DAYS
FREephone 0500 000 888
CREDIT CARD ORDERING HOTLINE WEEKDAYS 9AM TO 8PM WEEKENDS 9AM TO 6PM

PLEASE BRING YOUR CREDIT CARD AND THIS ADVERTISEMENT WHEN YOU CALL AND ORDER BY MAIL. SHOULD WE BE UNABLE TO ACCEPT YOUR CARD, OFFER SUBJECT TO STATUS AND A STANDARD AIRTIME CONTRACT FOR EACH PHONE WITH CELLPHONES DIRECT LTD, 185 LOWER RICHMOND ROAD, RICHMOND-UPON-THAMES TW9 4LN. FULL WRITTEN DETAILS AND TERMS AND CONDITIONS OF THIS OFFER ARE AVAILABLE ON REQUEST. © COPYRIGHT, REGISTERED NO. 295522.

THE INDEPENDENT CROSSWORD in association with

CHARLES WELLS **BOMBARDIER** **PREMIUM BITTER**

No. 2901, Monday 5 February

By Porcia

1 Across
1 Amateur's hopeless and couldn't care less (9)
6 Ruler inside hosts a reception (4)
10 Sound of musical instrument is swelling (5)
11 Managed to overcome sport's contraction (9)
12 Design tactile kind of framework (7)
13 Become more involved at close quarters (7)

14 Down
14 Hide – so as not to be seen playing golf? (3,2,5)
17 Bet titled chap's broken engagement (7,6)
21 Star's capital swallowed up – nothing left (7)
22 Win power over minister dogged by trouble (7)
24 Impressive batting energy brother displayed (9)
25 Decline doesn't begin in Germany (5)

26 English like consuming Middle Eastern food (4)
27 He sees a protest organised outside college (9)

DOWN
1 One leap off swift animal (8)
2 American swindled to an extent (5)
3 One who may be concerned with annual growth (14)
4 Fruit flavour added to the Spanish duck (7)
5 Many universal values unite clergy (7)
7 Staff's working hard, so don't give up (5,2,2)
8 Control force entering a Canadian city (6)
9 Pedestrians aren't still on it (6,8)
15 High ranking RAF unit? (3,6)
16 Piece of furniture going back a long way (8)
18 Man pointedly full of self-importance? (3,4)
19 Run down to cancel money put in (7)
20 Understanding increase to be effective (6)
23 Said to be a permanent advantage (5)

Win a Weekend Break or a case of Bombardier Premium Bitter
CALL 0891 311 017

When you have the answers to the first three clues across AND the first three clues down phone 0891 311 017 and leave your answers with your name address and daytime telephone number by midnight tonight. Each day there is a case of Charles Wells Bombardier Premium Bitter to win. PLUS from all entries for the week a winner will be selected for a Weekend for two in a Charles Wells Country Hotel.

Calls cost 39p per minute cheap rate, 49p per minute all other times. Winners will be selected at random from all correct entries received. No cash alternative. Normal Newspaper Publishing rules apply. Editor's decision is final. Winners' names can be obtained by sending an SAE to – Charles Wells Crossword, Unit A, Bowe House, St Peters Road, Maidenhead SL6 7QU.

Published by Newspaper Publishing PLC, 1 Canada Square, Canary Wharf, London E14 4DL, and printed at Mirror Colour Print, St Albans Road, Watford. Monday 5 February 1996. Registered as a newspaper with the Post Office.